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THE FINANCIAL POST

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The Nation's Business

War Debt Handling Needs Careful Study

Any practical and mutually agreeable plan for handling Britain's war debt to Canada will meet with the general approval of the people of this country. And if a similar arrangement can be negotiated between the United Kingdom and the United States the English-speaking democracies will have taken a long step toward the continuance of the present highly satisfactory relations in the vitally important postwar adjustment period ahead.

Fantastic debts following the first Great War did much to embitter feeling between the former Allies. After this war we must make sure that every spark of friction is extinguished.

Britain will not find Canadians niggardly in any settlement. We are willing and eager to pool our war resources with our other allies in the common fight. But even among the closest friends any arrangement of this magnitude must be carried out in the proper way for permanent satisfaction.

Authoritative sources state that nothing final has yet been reached between Canada and Great Britain, but in a matter involving billions of dollars it is important that every phase of any adjustment be announced in complete form. Great damage would be done to the finances of any country if the impression was created that debts were something that could be swept off the boards without careful consideration being given to all interests involved.

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CANADA DEMANDS COMPULSORY SERVICE

Prime Minister King could have offered no greater welcome to Winston Churchill than a definite announcement that Canada was to adopt immediately selective compulsory service.

Such a step, and such a step only, would put this senior Dominion of the British Empire on an equal footing with the other major democratic powers now lined up against the Axis. It would restore our self-respect among our partners, tell our common foe as we were in this war to a successful finish.

Mr. King intimated under very different conditions that full compulsory military service would not be adopted without an election or referendum. He has claimed therefore that he has no mandate to take such a step without some appeal to the nation.

This is not the brand of leadership Canadians have a right to expect in a dire emergency. They want action, prompt action. When the government believed that inflation threatened the country last fall, there was no hesitation. Without even a precedent for guidance, an overall ceiling on prices and wages was clamped down overnight. Mr. King acted promptly and decisively, and the country backed him to the limit.

The country will back him just as promptly and enthusiastically if he acts at once to put our man power on a full war footing.

Time is running short. Weeks if not months would be lost in any appeal to the country. Long before this we should have been training the men and women needed for our armed forces, war factories, vital services and farms. Canada cannot afford to dawdle a day longer. We need every citizen working for victory. Every day lost postpones victory just that much longer, may indeed jeopardize the whole outcome of the war.

Not only would a referendum or a general election now be a waste of time. It would be dangerous. Outsiders, and particularly our enemies, would interpret it as an indication of disunion. It would be a miracle if it did not cause temporary cracking in our present front. It would rake up some of the old bitterness of the first Great War when Canada was never threatened to anything like the extent of today.

Above all, any appeal on the question of selective compulsory service is unnecessary. Canada has already abundantly answered that question. The country is overwhelmingly behind the war, ready and eager to back any step necessary to win that war. Let us take this inevitable step at once and get on with the main business on hand.

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NEXT STEP — UNIFORM CEILINGS

The manner in which the people of Canada are backing the price ceiling clearly indicates inflation can be kept under control if it depends solely upon the degree of co-operation with which the policy is supported. From the consumer to the primary producer there is a general realization and appreciation of the danger of uncontrolled inflation. At the same time they see in the price ceiling, a policy contributing to the war effort, both directly and indirectly.

Those in charge of working out the policy have the full co-operation of the public. It is not a hesitant or a half-hearted co-operation. In that respect half the battle is won. The other half of the battle is in the formulation and enforcement of commonsense regulations.

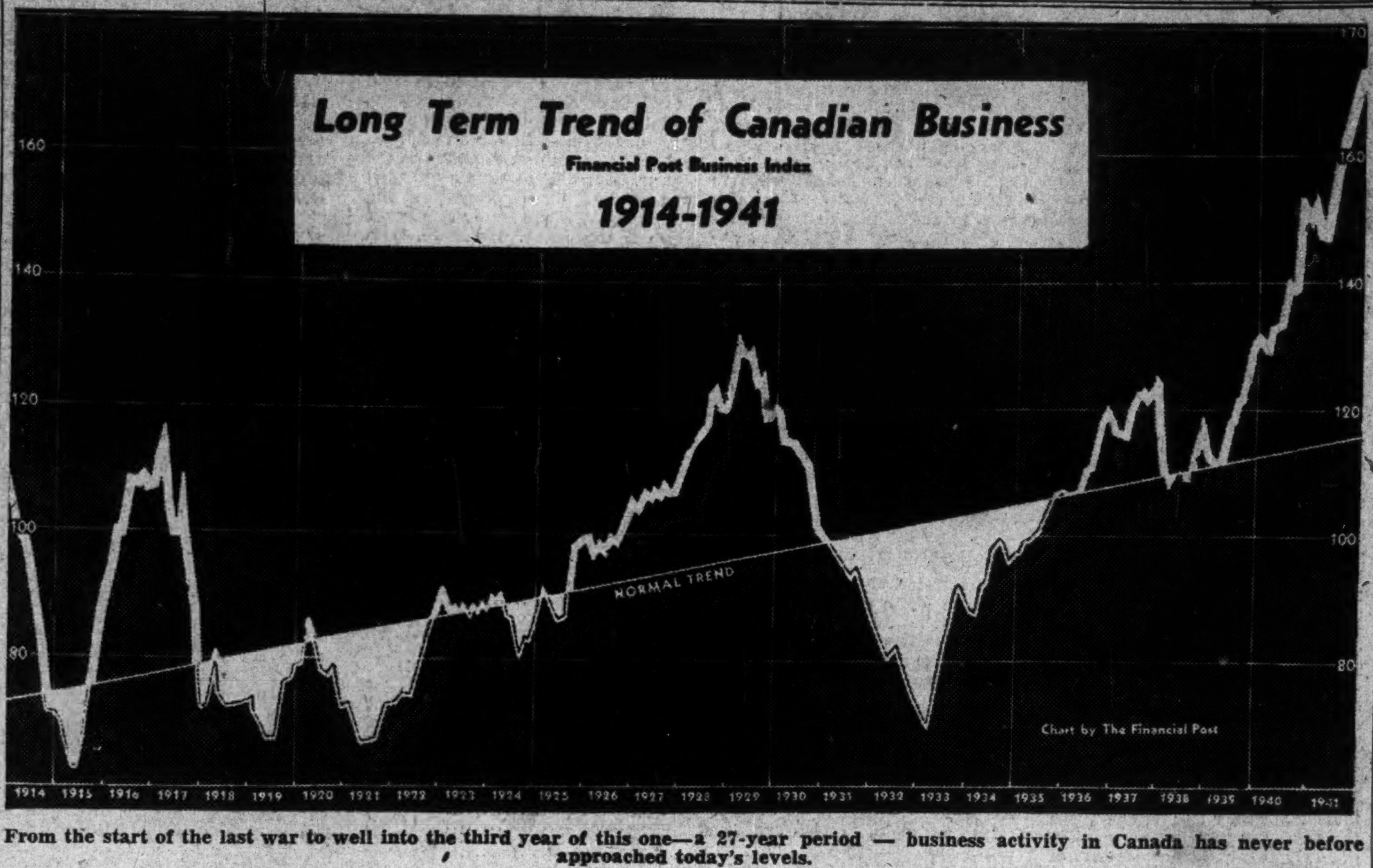
Members of the Wartime Prices and Trade Board have intimated that they hope to work out very shortly uniform price ceilings, with some adjustments for special territory for all retailers. This is a vitally important adjustment in the original blanket policy. If applied speedily it will go far toward easing the present heavy and costly burden falling on many individual retailers.

As originally imposed there were practically as many ceilings as there were all retailers and wholesalers put together. If one store happened to be selling a broom for 49 cents during the base period then that was the top price it could ask for brooms for the duration, no matter what the replacement cost.

During the base period many retailers happened to be clearing out all stock, many had not placed their new fall orders and knew nothing of higher quotations. To force a continuance of their old too low price would simply mean bankruptcy for themselves and also for their competitors who had adjusted selling prices to replacement costs previous to the official base period. The latter with a broom priced at say 65 cents wouldn't have any customers and the former with their 49 cent brooms and a loss on each one sold, would have too many.

Now apparently the Board intends to fix a general average based on a fair selling price during the base period of Sept. 15 to Oct. 31.

This is only one of the many knotty problems facing the price administrators. It is probably too much to expect that all of these can be solved at once but it is reasonable to expect that major difficulties such as this existence of a multitude of individual ceilings for the same goods should be tackled realistically and promptly. No one expects that natural handicaps such as distance from supply sources and varying buying habits in different centres should not be considered. But within normal competitive marketing regions, a start toward establishing uniform price ceilings should be made without delay.



From the start of the last war to well into the third year of this one—a 27-year period — business activity in Canada has never before approached today's levels.

Churchill Visit Brings Ottawa Fundamentals of War Winning

By STAFF WRITER

OTTAWA.—Rt. Hon. Winston Churchill has come and gone, but in his House of Commons address and especially in "off the record" talks with the press, his irrepressible, whimsical but common sense humor, his vivid expressions of confidence or challenge to the enemy remind one of that other great leader Abraham Lincoln.

Mr. Churchill demonstrated that he is a man of balance. He talks frankly and bluntly, without any histrionics or gloom. He gives no room for complacency. He doesn't stress what has been accomplished, but he does stress with mighty force, what has yet to be done. His words, his candor and his fervor, put iron in men's souls.

Behind him here, Mr. Churchill has left, without hyperbole, an impression which, while intangible in itself, may have a very tangible effect on the strength of this Dominion's contribution to the defeat of Hitlerism.

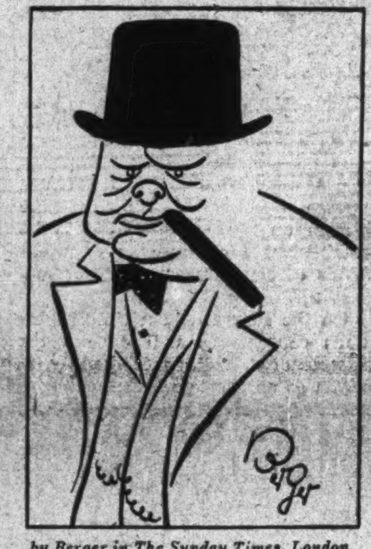
Expediency Faded

This is not alone the result of the magnetism of the man; not of what he said at his public appearance or private conferences while in the Dominion.

It is because during two and a half days of his sojourn in Ottawa, party politics, questions of "expediency," local differences and petty issues withered, or at least faded, before Churchill's obvious fixity of purpose.

Perhaps unconsciously, Prime Minister King expressed this atmosphere in a chance remark just before a very frank off-the-record conference with Canadian publishers and editors.

Hon. R. B. Hanson, leader of the opposition until the next session, came into the conference room, looked around for a seat. The Prime Minister beckoned him to the table at which he and Churchill were seated, remarking:



by Berger in The Sunday Times, London.

"Come on up here, Hanson, this is off the record."

It is obvious now to observers both in Ottawa, and to those who came direct from Washington for the Ottawa visit, that this one-purpose atmosphere is the keynote of the historic conference with United States officials.

Military Matters Chief

At these conferences, The Financial Post understands, and at the sessions the British Prime Minister had with the Canadian war cabinet, financial matters have taken the back seat. Questions of payments and credits have been submerged in a bigger question.

The big topic at conferences between Churchill and Roosevelt, and between their various experts, has been strategy, military and economic, but with military taking precedence.

This fixity of purpose (i.e. the defeat of Hitlerism) explains the announcement expected shortly, of wiping out the sterling balances owed this country by United Kingdom, as reported in last week's Financial Post.

It explains why, both here and in Washington, lease-lend is regarded as becoming rapidly a dead dodo, in the general sweep toward pooling allied supply and demand.

It explains why the fear expressed in a few quarters to the effect that United States will not continue to buy Empire gold receives no echo of confirmation in official quarters. Attitude of such quarters on this point at the moment is that as long as such a policy continues to help support the economies of a great part of the democratic fighting front, such a policy pays dividends, and will be continued.

Hit Postwar Disunity

It explains why Churchill in his address in Washington and also in Ottawa did not hesitate to speak frankly on issues which might, domestically, be considered delicate. An example in Washington was his bitter references to the failure of Britain and United States to present a united front after World War 1. An example in Canada was his frank criticism of Vichy France.

For two days, then Prime Minister Churchill has brought Ottawa to a realization of fundamentals, and basic issues.

That is the big significance of his visit here.

Christmas Buying Spree Brings Day of Shortages Much Closer

Christmas buying this year took a big slice of our very limited stocks of many lines. It probably brought appreciably closer the day when women must forget about silk stockings and men spend an extra few minutes searching every time a golf ball goes into the rough.

But merchant's shelves are not bare as yet, and the day when the consumer will really feel the increasing shortages appears likely to creep up on most of us without any warning. It will become evident as various items drop out of use; as fewer sizes and colors of style goods are available; as the extra trimmings disappear and substitutes become the accepted standard.

Metal-using goods are likely to be the first to feel the pinch in a large way. It will coincide with the disappearance of many items using rubber or any of the scarce metals, of which tin is the best example.

"Figure Control" Troubles

Women may shortly find that girdles and corsets are hard to buy. Manufacture of these articles requires rubber for the elastic portions and steel for the supporting ribs. Rubber elastic is out so long as the source of supply is cut off by war in the Pacific. One large department store advertised a post-Christmas sale of girdles and corsets and was immediately swamped by the rush of women to buy. Foundation garments are certainly going to be reduced in output and may even pass out for the duration.

Direct Christmas buying took its toll but it appears that, as a threat to supplies, it was largely confined to special Christmas items. Metal toys are going to be exceedingly scarce from now on and manufacture of them has been banned for the duration. By next Christmas there will likely be few, if any, ice skates or roller skates, tricycles or joycycles.

There is still a limited amount of silk, or part silk, hosiery on sale. Most hosiery makers have small quantities still to be made up as a result of the pooling of raw silk supplies which followed shortly on the ban on imports last summer.

One leading maker of women's hosiery tells The Post that by February it will be entirely out of silk and dependent on rayons, lisles, cottons, plus the exceedingly limited supply of nylon yarn that can be obtained.

Few hosiery makers look for any relief from the nylon shortage when the Canadian Industries plant at Kingston, now under construction, starts to produce the yarn in Canada. It will likely all go to make such things as parachutes or powder bags for which silk used to be the accepted material.

There is also some question in the minds of hosiery makers as to whether or not substitute materials will be available in adequate supply. A survey indicates that women's hosiery now being offered for sale is in the approximate proportion of 80% rayons, lisles and substitute materials and 20% silk. Before many weeks this will be 100% substitutes and no silk.

English Cutlery

Another everyday line that is growing increasingly scarce is English-made cutlery. None has been sold for import to Canada for some time past although a few shipments may still be coming in that were bought some time ago. Stocks of pocket-knives, table cutlery, scissors and such articles may shortly be dependent solely on domestic manufacture. This in turn is being more and more restricted by shortages of materials.

Plated silverware — always in heavy demand at Christmas—may disappear from dealers shelves before this year is out. Britannia metal, base for almost all of the cheaper lines of plated silverware, is out for the duration because it uses tin. This ban will also hit much of the cheaper costume jewellery. It is said there is no real substitute for tin in silver plated articles. Copper is extensively used in better grade articles but here also the squeeze is on.

"Heavy" Lines Hit

So-called "heavy" lines—refrigerators, stoves, vacuum cleaners, washing machines—have been getting increasingly scarce for some weeks now. The selection in styles and trimmings is definitely smaller and further restrictions are becoming effective almost at once.

Radios are being restricted to half normal output for January. Radios

(Continued on page 2, col. 3)

Actual Cases Reveal Price Lid at Work

Specific problems are pouring in to the various administrators for the Wartime Prices, and Trade Board. In some cases, such as those handled by the newly formed Retail Federation, the problems are gathered together and presented by a central body. In other cases, the individual affected handles his own negotiations.

Here are a few cases that have come up and the rulings made thereon.

A retailer of children's shoes who had a base period selling price of $1.15 a pair. Shoes cost him 75 cents a pair plus tax. The manufacturer quoted a new price to the retailer, before the base period, of 92½ cents a pair plus tax. When asked to make adjustment, the manufacturer reduced his price to 87½ cents plus tax. The retailer claimed this would involve him selling at a loss, while competitors are selling a similar shoe at $1.39.

He asked if he could raise his retail price to that of his competitors.

The Board ruled No.

The Board ruled that the manufacturer's price should be last fall's placing price, plus a maximum increase of 4%.

He asked if he could drop this line of shoes of which he sold 45,000 pairs yearly.

The Board ruled No.

In women's underwear, a retailer had a base period selling price of 59 cents. The manufacturer raised his price during the base period from $4.15 to $4.60 a dozen plus tax. This is a nationally advertised line sold at a uniform price throughout the trade. Another retailer raised his price to a new uniform level of 69 cents in the base period.

The first retailer asked if he could raise his price to the new uniform level of 69 cents.

The Board ruled No, adding that a study was being made with a view to levelling uneven retail price levels.

He asked if the manufacturer were required to deliver normal quantities to him when he was selling below the new uniform price level.

The Board ruled Yes.

A soap manufacturer had always sold his top brand of soap flakes to retailers on basis of a minimum retail price level. Sept. 19, 1941, he raised his rate and established a new minimum retail price. The new scale was adopted by retailers across Canada with the exception of one large chain store which did not put the new price into effect.

The Board ruled this chain store organization could not now raise its price, but could secure adjustment from the manufacturer.

There is a wide range of goods on which the manufacturer maintains a "controlled" price, with minor variations here and there. Examples are practically all books, bathing suits, refrigerators, radios, hosiery, fountain pens, hats, shirts and many others.

Are retail selling prices on such

(Continued on page 2, col. 6)

B. A. Oil Sales At Record Peak

Sales of British American Oil products in 1941 jumped to a new record high, it is officially stated. Governmental regulations restricted the potential of domestic sales, but deliveries of fuel and lubricants to industry and the fighting forces materially increased.

Construction of the company's new refinery near Toronto is progressing but is being delayed more than anticipated through slow deliveries of equipment. This hold-up is due to the concentration on instruments and munitions of war in Canada as well as in the U. S. where much refinery equipment of a character not obtainable in Canada must be secured.

Fear Congress May Balk on Dropping The Tariff Barrier

Roosevelt Declaration Has Tremendous Significance for Canada But Implications So Far Escape General Public Notice

By STAFF WRITER

WASHINGTON, D.C.—To the surprise of heads of the two nations, Canada and United States, little public notice has been taken as yet of the momentous declaration released here last week calling for removal for the duration of the war of: "Legislative and administrative barriers including tariffs, import duties, customs and other regulations or restrictions of any character which prohibit, prevent, delay or otherwise impede the free flow of necessary munitions and war supplies."

This portentous announcement was listed as item six of a unanimous declaration of policy approved by the joint war production committees of Canada and the United States and bearing the personal endorsement of both President Roosevelt and Prime Minister King. In releasing the declaration from Washington, President Roosevelt stated emphatically, "It has my full approval."

It is taken for granted here that this question of sweeping aside for the duration of the war all tariff barriers on "war" materials and supplies will be one of the major topics in the presidential address to Congress scheduled for next week.

Congress May Hesitate

Reason for the scant notice paid to this declaration—one which virtually wipes out the 49th parallel for the duration of the war at least—is probably the widespread doubt among political and newspaper commentators that U. S. legislators will fall in line behind the President in his all-out approval for dropping tariff barriers. In short, until there is more positive evidence of Congressional support, the declaration is not being taken very seriously—in a political sense.

That the declaration is of absolute top-rank importance, as far as the administrations of both governments are concerned, is unquestioned.

One difficulty is that, so far, the only official legislative definition of war supplies is one which occurs in the lease-lend statutes, and one which appears in a proposal introduced last spring at Washington, calling for removal of duties on all defense materials. The latter proposal was simply allowed to die. In both these measures, in addition to three or four categories of war goods which are specifically mentioned, there appears an omnibus clause including as defense materials any commodity necessary for this purpose.

In short, if such an interpretation were to be placed on the present proposal, it would mean striking off the tariff on all manner of goods and materials including foodstuffs, etc. It is felt that such a proposal even at this time would be like a red rag to Congress.

Two items which would be of especial importance to Canada if the declaration of policy were to be implemented would be copper and zinc. On copper there is a four cents a pound duty and on zinc a duty of approximately 1.4 cent. If the duty were to be removed on these two metals it would give a tremendous impetus to marginal production in Canadian Mines.

B. C. Charges Ottawa Slow on Air Raid Plans

From Our Own Correspondent

VANCOUVER—War in the Pacific is now more than three weeks old but confusion still prevails in British Columbia coastal cities regarding air raid protection.

Among businessmen the feeling is that, while there has been a lack of efficient organization and administration of the A.R.P., much of the blame should be attached to Ottawa for lack of a definite policy.

Business interests are particularly concerned over the failure of the government to initiate a programme of protection in the event of bomb damage.

Withdrawal of Lloyd's and other insurance companies from that field has left property worth many millions on this coast vulnerable to attack without assurance of compensation.

The reasonable inference from various unofficial statements from Ottawa is that there will be a Federal insurance plan and that it will be retroactive, but in the meantime there has been widespread anxiety.

So far, the Federal Government has provided less than $20,000 for air raid protection in British Columbia. In some quarters there is a tendency to regard this appropriation as merely a token and as a guarantee of greater assistance once a permanent policy has been established. But others criticize Ottawa for not seeing the importance of prompt action.

Much will probably depend on the result of the conferences to be held here this week between British Columbia interests and Lieut.-Colonel E. H. Minns, representative on A.R.P. matters of the Minister of Pensions and National Health.

Small Retailer Favored Over Big In Price Plan

Development of price control administration in practice appears to favor the small rather than the large retailers and chain store, it is declared by Canadian Grocer.

Reason is that the small man does his buying on what approaches a hand-to-mouth basis. His retail prices are thus closer to his replacement cost at all times.

During periods of rising prices he may lose unless he can adjust his selling price at once. But when price control was imposed it apparently found the small grocer, for example, pricing his goods at replacement costs. The large merchant, on the other hand, with a larger stock and making his purchase contracts farther in advance, may have been selling goods well below replacement values in the base period.

Drug retailers are affected much the same way, Drug Merchandising points out. It is the custom among druggists to buy only slightly ahead of actual sales. They thus make adjustments frequently and do not find themselves in the position of many other retailers with less rapid turnover.

Another factor helping the drug trade is its below average dependence on seasonal lines. Much of the difficulty faced by manufacturers and merchants alike has been over the problem of how to price seasonal merchandise which may not have been on sale at all during the base period. Druggists also have wider margins to work on on most lines.

Retail Catalogues Delayed By Price Fixing Rules

With scores of items of merchandise having to have their price approved by the Wartime Prices and Trade Board, the spring catalogues of Canada's larger mail-[illegible] will be delayed at least several weeks this year.

These catalogues normally appear in February and while some houses will not even venture a guess as to when they will be published, others predict that delivery will be at least two or three weeks later than usual.

Up until a short time ago such rulings from Ottawa are said to have been hard to get as the new price setup was still in process of organization. Some progress toward smoothing out these difficulties is now being made, it is reported.

On Individual Basis

The Wartime Prices and Trade Board r[illegible] type of business which had the same prices existing throughout 1941 is different from that of ordinary retailing where prices in the past could fluctuate during the year.

Under the price ceiling, houses selling the same type of product do not necessarily have to continue to sell at the same price, but an individual basis appropriate to each company is worked out from the previous selling price. Seasonal lines, which were not sold at all

(Continued on page 2, col. 7)

EATON'S War Service Depot

A Popular Service with Men in the Services

EATON'S War Service Depot, conveniently located on the Main Floor, is one of the most popular spots in the Store these days with men in the services. Here you'll find sample suggestions picked from EATON'S vast array of military supplies . . . everything from socks to sewing kits . . . from pins to a pair of pips . . . and the comforts of camp. Saves you time looking around for what you want . . . everything here for easy choosing!

T. EATON Co LIMITED
TORONTO CANADA

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Year-End Close and Change from Year End Previous

Miscellaneous Stocks:	Dec. 30, 1941 Bid	Ask.	Ch'ge
†Allens Tor. Th., p.	32½	35	unch
Atlas Steels, 7% pfd.	105	106½	+½
Brinton Peterboro Cpt.	40	...	...
Can. Col. Airways	2	3	—1
*Can. Gen. Rubber, pfd.	22	26	+2
Can. Mach., new c.	7½	...	...
C.P.R. 4% pfd. (£ par)	1½	2½	+½
Cap. Wirecloth, p.	19	23	+1
Cawthra Apts., pfd.	2	2.65	+½
Comm. Life, 10% pd.	6	7½	+½
Corrug. Paperbox, c.	1	..	+½
Dom. Alloy & Steel, c.	.15	.45	...
Do., pfd.	.15	.45	...
Dom. Life, 70% pd.	172	195	—30
Dover Industries	6½	7½	—½
Eastern Steel, pfd.	20	21	unch
†Fort W., Hotel, units	45	50	unch
Imperial Varnish, c.	8½	9½	+½
Indust. Accept., 5% p.	68	73	—14
London & West. Trusts	33	36	+3
*Monarch Mtge. Inv. un.	.30	.50	unch
Mount Royal, new com.	3	3.75	+½
Murphy Paint, com.	9	10½	unch
Do., pfd.	88	91	—1
Nat. Hosiery, com.	.65	.90	+.05
Do., pfd.	.85	1.35	+½
†N. Amer. Elevator, p.	78	..	+27
St. John Dry D., p.	99	102	unch
Seal-o-Sac	.75	1.00	—½
Tip Top Tailors Inc., un.	13	15	...
Traders Finance rts.	12½	14	—1½
Viceroy Mfg., 6% pfd.	24	26	—3½
Waterloo Mfg., new c.	.65	1.00	+½
Wentworth Radio, p.	2.25	3½	+1
West. Can. Hydro, pfd.	10½	11½	—½
West. Life, 10% pd.	9½	10½	unch

*Issue carries arrears.
†Currently paying on arrears.

Supplementary Bond Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Year-End Close and Changes From Previous Year End

Misc. Corp., Utility & Realty Bonds	Dec. 30, 1941 Bid	Ask.	Ch'ge
Alexander Apts., 3%/55	40½	..	+4½
Alex. Bldg., 6%/47	35	38	—1
Assoc. Gas & El., 5%/50	13½	15½	...
Bay C'mberland 6½%/44	12	14	—1
Bay St. Albans 4%/53	52	55	+5½
Beach Fdry., 6%/45	78	...	...
Bowater Nfld. P., 5%/68	91	95	—2
Do., 4½%/68	91	93	—1
Brant. Roofing, 5%/50	83	..	+10
Canada Dairies, 5%/61	59	..	...
Can. Machinery, 5%/54	96	100	...
Do., 6%/55	95	99	...
Chainway Stores, 6%/53	..	100	unch
Cities Heating, 4½%/55	93	98	...
Dom. Square, 4%/59	59	60½	+2
Fed. Found. Stl., 5½%/50	92½	96	—2
400 Avenue Rd., 4½%/57	49	52	+5
Gleneagles Inv., 5%/44	53	56	—15
Gr. Brit. & C. I. 4½%/59	67	70	—3
Gt. West Sadd., 6%/48	103	..	+3
Keefer Rlty., 5%/55	24	27	+5½
Mayor Bldg., 4½%/42	55	..	+20
National Util., 6%/48	55	..	+15
Pac. Pow. & W., 5%/57	92	..	unch
Prof. Offices, 7%/33-45	54	58	+6
Royal Ex. Bldg., 6%/48	58	63	+6
St. Cath. St. Rlty. 5%/57	63½	..	+8½
St. Clay Prod's., 6%/42	72½	..	+5½
Stanley Rlty., 7%/45	1½	3	+½
Staveley Apts., 2½%/49	63	68	—2
Stk Ex Bldg (V) 6%/44	40	43	+2
Trans-Co. Res. 5% debs.	..	94	—5
Trinity Bldg., 4%/52	8	..	—½
200 St. Clair W., 4½%/58	50	54	+5
Van. Georg. Htl., 6%/47	40	..	—14
Viceroy Mfg., 4½%/52	96	99	+1
Wind. Court Apt. 6%/42	28	30	+4
York Adelaide, 7%/45	8½	11	—½
York St. Bldgs., 6%/43	88	92	+3

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in the January issue
THE CANADIAN CHARTERED ACCOUNTANT

Dropping cents from financial statements
Industrial managements' fiscal policy
Report writing and the accounting profession
Internal audit fundamentals
Limitations of price control plans
Current accounting literature

Published monthly. $3.00 per annum. Subscription open to all. A. H. Carr, Editor, 10 Adelaide Street East, Toronto.

U. S. Newspaper Circulation Up

From Our Own Correspondent

MONTREAL.—Aggregate circulation of American newspapers at the end of September 1941 show an average gain of more than 2% over 1940, bringing them to a record-breaking all-time high, according to a cross-section survey made by Editor and Publisher.

Daily newspapers report an aggregate circulation on Sept. 30, 1941, of 25.7 millions, an increase of 2% over that reported on the same date last year. Sunday newspapers showed an even greater increase, amounting to 4.29% during the same comparative period. Morning newspapers gained 2.79% over a year ago and evening dailies increased their circulation 1.26c.

DIVIDEND NOTICES

British Columbia Packers Ltd.

Notice is hereby given that subject to the necessary approval being obtained from the Foreign Exchange Control Board the Directors of British Columbia Packers Limited have declared a dividend of one dollar and fifty cents ($1.50) per share, payable by cheque to be issued at Vancouver on 16th March, 1942, to shareholders of record at the close of business on February 28th, 1942. Shareholders holding certificates in street form are requested to surrender such certificates to the Company's Transfer Agents, the London and Western Trusts Company Limited, at its office in Toronto or Vancouver, or the Chartered Trust and Executor Company at its Montreal office, so that they may become registered as the owner of such shares before 28th February, 1942. Dated at Vancouver, B.C., this 30th day of December, 1941.

By Order of the Board,
A. HAMILTON,
Secretary.

CANNING FACTORY FOR SALE

MANUFACTURING capacity 700 cases daily. Built according to Government Regulations. Well placed at Grondines, P.Q. 45 miles from Quebec City on national road and facing St. Lawrence River with the advantage of all farm production from the Counties of Portneuf and Champlain. Price $25,000.00.
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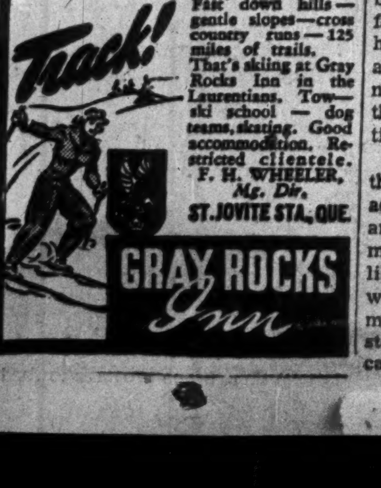
Grondines,
Co. Portneuf.



Fast down hills — gentle slopes — cross country runs — 125 miles of trails. That's skiing at Gray Rocks Inn in the Laurentians. Town ski school — dog teams, skating. Good accommodation. Restricted clientele.
F. H. WHEELER,
Mg. Dir.
ST. JOVITE STA., QUE.

GRAY ROCKS Inn

The War And Business

Old Life Going

Canadians are rapidly reaching the stage where they will have to reconcile themselves to their present housing, equipment and appliances for the duration of the war. Not a week passes without some new restriction on ordinary civilian goods and observers at Ottawa say that we have seen only the beginning.

In the last month curbs have been announced on the output of metal household hardware; items like window sash weights, brass and bronze bolts, door handles, etc. Manufacturers of metal beds have had their steel rationed. Output of radios, washing machines, stoves and refrigerators, has again been restricted. Variety of rubber goods has been severely cut.

More and more the war is commandeering the raw material of ordinary business with the ultimate prospect that the latter will be squeezed to the point where it caters to a bare subsistence standard of living only.

* * *

Bomb Insurance

Discussions are now being held in Ottawa to devise a plan of insurance or compensation for property damage resulting from bomb attacks or other enemy attack in Canada.

It is understood that R. K. Smith, K.C., chairman of the National Harbor Board, is to head the organization now being set up to handle the matter. Apart from the fact that whatever plan is devised will be retroactive to Dec. 24, no authoritative information is yet available as to what form the insurance or compensation will take.

* * *

Tourist Trade

Canada held its own in the tourist business this year despite the war. For the first ten months of 1941 over 12.4 millions of people visited the Dominion compared with slightly under 12.2 millions in in the corresponding period in 1940.

Although it got off to a rather poor start big gains were made by the industry in July and August when over 5.3 million tourists alone visited Canada as compared with slightly over four million in the same months in 1940.

Due to the fact that the United States is now also in the war, with rigid restrictions either actual or in prospect on spending and leisure, no official predictions are made regarding the tourist traffic next year.

* * *

Maritime Agriculture —

Farmers in the Maritime Provinces are more prosperous than they have been for years, a close observer tells The Financial Post. Government assistance in freight rates on western feeds and in other ways has been sufficient to enable former marginal farms to show a slight profit. Huge new local markets provided by military concentrations has been another factor.

Against this war prosperity, however, has been tentatively chalked a loss on tourist trade. Already military restrictions have hit tourist travel to some extent and now with the United States actually in the war there is some fear of a general reduction in visitors next summer. The tourist, of course, provides a market for a good deal of local produce in the Maritime Provinces and also a sideline for farmers with summer cottages and camps.

* * *

Corral Cork Supply

To forestall the possibility of a shortage of cork, a commodity essential to the war effort, the Department of Munitions and Supply has decided to regulate its importation and distribution in Canada. Effective immediately, the new cork order is intended to prohibit the hoarding of cork, and will limit supplies in the hands of any dealer or processor to his normal requirements for three months.

No airplane, motor torpedo boat, gasoline-powered tank, or other mechanized army vehicle can operate without cork, it is pointed out. The commodity is vital to the fishing industry, to the manufacture of army pontoons, life preservers, cold storage plants for naval and merchant vessels, and to hundreds of other essential purposes. No practical substitute is available for cork in the making of gaskets and crown tops for bottles. Virtually all the raw cork brought into Canada comes from Lisbon, Portugal, and while the bulk of the semifabricated cork comes from the United States, that country has to depend on the same source for the raw product.

* * *

Car Parking Problem

Wartime Problem No. 1234567: providing parking space for workers' cars. The manager of one large industrial plant in the Montreal area says this is a small but nevertheless knotty problem which comes up at this time of the year. It is not so much a question of ground for parking, but the clearing off of the snow. The latter job is expensive. However, with the disappearance of the snow next spring and the beginning of gasoline rationing, perhaps relief is in sight.

* * *

War Contracts

Contracts awarded by the Department of Munitions and Supply during Dec. 10 to 16, 1941, numbered 4,251 and had a total value of $15,792,021. Some of the larger contracts to companies in which there is public interest follow:

Algoma Steel	$ 35,811
Aluminum Co.	38,917
Amalgamated Elec.	47,320
B. A. Oil	56,889
Canada Packers	50,347
Canadian Car	5,903
Canadian Cottons	24,438
Can. Gen. Elec.	36,660
Canadian Industries	82,993
Can. Locomotive	149,600
Can. Vickers	1,258,652
Can. Westinghouse	53,428
Chrysler Corp.	5,271
Cosmos Imperial	56,773
Dominion Bridge	9,800
Dominion Coal	41,970
Dominion Textile	1,963,150
Dunlop Tire	69,777
Eastern Steel	6,750
T. Eaton Co.	184,594
Enamel & Heat. Prods.	28,301
Firestone Tire	94,658
Ford Motor	21,168
Foundation Maritime	16,935
Gen. Steel Wares	274,446
B. Greening Wire	5,515
Harding Carpets	13,060
Imperial Oil	84,694
Mercury Mills	89,927
Noorduyn Aviation	28,856
Page-Hersey	22,124
Paton Mfg.	202,575
Penmans	78,939
Tip Top Tailors	13,699
Viceroy Mfg.	27,855
Wabasso Cotton	66,000

Wholesale Price Rise Checked

Price Board Halting Squeeze on Retailer

By STAFF WRITER

OTTAWA — The severest test of the price ceiling has not yet come but the ceiling has initially halted the rise in prices which has been almost continuous since the war started.

Rise in wholesale prices has been less than one point since September.

The weekly wholesale price index of the Dominion Bureau of Statistics has actually registered a minor decline since December 1, when the price ceiling took effect. Retail prices are only compiled on a monthly basis, so that the complete story for the first month of maximum prices will not be told until some time in January. However, wholesale prices have advanced since September, 1939 more rapidly than retail prices, the conclusion here is that the rise in the latter group has also been halted. Taking the August, 1939, level of both retail and wholesale prices at 100, wholesale indices have risen approximately 30% while retail price levels have risen only about 19% or 20%.

Now Comes The Squeeze

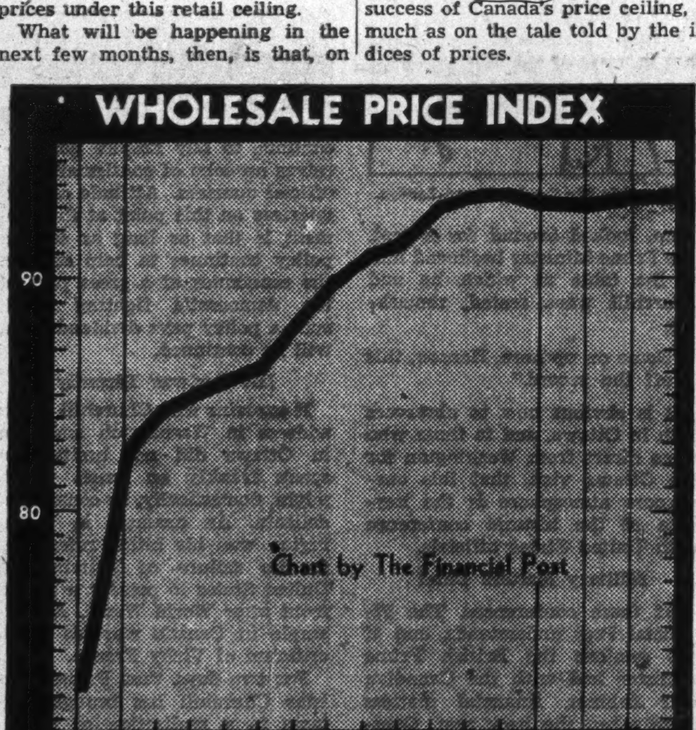
As regards the immediate future of the price ceiling, chief activity of all parties concerned will be compression of the raw material and wholesale prices, both of which have risen faster than retail prices, under the retail ceiling.

In other words, while industrial or raw materials have risen about 42% since August 1939, and wholesale prices about 30%, retail commodity prices have only risen about 19%. Big objection to the original plan of an over-all, all-phase ceiling was that it would have had the effect of freezing this abnormal relationship between the various price levels.

It now seems accepted that such relationships were not normal, and that they cannot be frozen on that basis. This acceptance has resulted in the current emphasis on a retail price ceiling, and leaves the tremendous task of adjusting other prices under this retail ceiling.

What will be happening in the next few months, then, is that, on the basis of the 1930 census, Canada's 125,000 or so retailers must discuss with some 13,000 wholesalers, 25,000 manufacturers and an unknown number of primary producers on maximum prices to be established for hundreds of thousands of separate commodities and services.

On the success of such multitudinous conferences will depend the success of Canada's price ceiling, as much as on the tale told by the indices of prices.



The Christmas Buying Spree

(Continued from page 1)

are also a favorite Christmas present and the splurge in buying just experienced has contributed materially to coming shortages.

Small Buyers Lose

One thing operating on the other side of the picture in the "heavy" lines is the restrictions in instalment buying.

How this has worked in crowding the small buyer of limited means out of the market and leaving what is left for his wealthier rival is hard to say, but retailers say it has reduced sales.

Druggist's lines seem to have come through the Christmas flurry about as well as any. Most of the special "packaged" goods, so popular for presents, have been cleared out of stores. Many retailers could have handled more of these special "sets" if they could have obtained them.

Few Articles Disappear

But few, if any, products have yet disappeared from the market. Cosmetics, always a big line with druggists and department stores, can still be bought. Glycerine and zinc oxide for ointments and creams may be hard to get, but substitutes are already in use and ladies apparently need not fear having to go without their creams and powders for some time to come at least.

Hard candies are difficult to buy these days—because they use citric acid—but here again other kinds are being substituted or other materials used. This scarcity is likely to be felt much more severely when next year's Christmas trimmings have to be bought. Junior's stockings may not have as many candy canes next year, or at least they may be made of different materials than they were this year.

Note paper and envelopes are getting scarce and some claim to be able to detect a change in color as the shortage of chlorine for bleaching becomes more apparent. Chlorine is an essential war material and supplies for consumer articles is going to be increasingly short.

Collapsible tubes are also heavy users of tin and are going to be hard to get. Alternative materials are available to a certain extent but the trade suggests that greater use of glass containers is likely. In place of tooth paste in a collapsible tube, some time this year we may all be "doing as your dentist does" and buying powder in a bottle. Glass has so far escaped the priorities scarcity and if hard to get, it is increased demand that is responsible.

Retailers are going to be able to start selling rubber tires for automobiles before long, but not on anything like the free basis that prevailed prior to Dec. 7. A hint of the regulations which may be forthcoming in Canada is in the instructions issued in the United States where the problem is just the same as in Canada.

After Jan. 5, 1942, in the United States only persons in an eligible list comprising seven classes of buyers, after going through a formal procedure involving inspection of the old tires and a review by a local rationing board, can you buy new tires.

The ban hits almost everyone. Pleasure and business vehicles, taxicabs, trucks carrying merchandise to the ultimate consumer are affected—in fact almost everything that does not come under the general heading of vehicles required for public health and safety, vehicles with a passenger capacity of ten or more persons needed for essential transportation and for essential truck operations. Interpretations of the eligible list are said likely to hinge on whether or not the vehicle is to be used in delivering goods to the ultimate consumer, a classification which appears to be banned in the U. S.

C.P.R. Revenue Up in November

Cumulative Returns to November Best For Any Year Since 1929

From Our Own Correspondent

MONTREAL. — Operating revenues of the Canadian Pacific Railway increased $4.3 millions to $20.2 millions during November. Much of the gain was offset by higher costs, but net earnings for the month at $5.2 millions were $128,609 greater than in the same month last year.

Despite the smallness of the increase during November, cumulative returns for the first 11 months of 1941 were the best for any full year back to and including 1930.

Gross earnings to the end of November totalled just over $200 millions. This represented a gain of $45.6 millions over the like period of the previous year. Operating expenses advanced nearly $35.6 millions, leaving net income at $40.8 millions, as against $30.8 millions in the first 11 months of 1940.

Following are comparative figures on the operating returns for November and the 11 months ended with that month for 1941 and 1940, respectively:

November	1941 $	1940 $
Oper. revenues	20,207,692	15,889,425
Oper. expenses	15,006,465	10,816,808
Net revenue	5,201,227	5,072,617
11 Months Ended November		
Oper. revenues	200,241,838	154,629,230
Oper. expenses	159,375,052	123,795,998
Net revenue	40,866,786	30,833,232

Actual Cases Reveal Price Lid at Work

(Continued from page 1)

lines to be made uniform for all retailers?

The Board says these cases are now being studied but that it will be about two months before a decision can be given.

A merchant selling screwdrivers in dozen lots at 48 cents each when his regular price was 59 cents each, was faced with a loss when his buying price was raised.

He asked if he could consider the sale to the factory as an isolated transaction and thus be exempt from the price ceiling.

The Board said No. He was granted the concession of limiting bulk sales to the same quantities purchased by the factory during the base period but was refused authority to cease selling screwdrivers in wholesale quantities inasmuch as he was not in the wholesale business.

For a new line of overalls and smocks a retailer paid $24.50 per dozen, less 10%, sold them at $2.95 apiece. On Dec. 6 the manufacturer refused to accept a new order, stating that his price was now $26 a dozen, less 10%. The retailer cannot handle the line at his price of $2.95 at this price.

The retailer asks how to secure an adjustment of his cost price.

The Board said Negotiate with the manufacturer and report to Board again.

A manufacturer claimed to have established a higher price for his goods before Oct. 12, but failed to notify all customers. Some uninformed customers continued to get supplies from him during the base period under earlier contracts.

Are these customers subject to the manufacturer's higher prices on future orders?

The Board asked customers and manufacturer to arrive at price which would allow the former to maintain his ceiling price.

The retail administrator plans to set maximum selling prices on seasonal goods which must be purchased immediately by the retailer, or may already have been ordered. These may be needed for the Easter trade or for next spring or summer. The administrator states such ceiling prices will be set within the next month.

A somewhat similar case arises where a retailer handled a line of women's suits last spring and carried over a few of them. Last spring he sold such suits at $22.50 each. On Oct. 2 this year, he ordered suits of similar quality to retail at $26.50 next spring, a price at which he did not sell suits in the spring of 1941. This retailer finds that he must sell the suits he has held in storage since last spring at the same price of $22.50. Marking of 1942 spring merchandise is being studied at present and rulings are to be issued shortly advising retailers how to mark these goods.

HOLD HIGH THE TORCH OF FREEDOM

UNUSUAL BANKING In These Unusual Times

As Canada's war efforts speed up, business in general increases in volume and banking activity also increases. Our service keeps pace with requirements, although more than 600 members of our staff already are in the Empire's forces.

By experience, increased effort and up-to-date equipment, we endeavour to compensate for reduced numbers, to avoid delays and inconvenience to our customers, and to conduct all banking transactions, however unusual, with everyday efficiency.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . the Outcome of 124 Years' Successful Operation

Price Problems Holding Up Catalogues

(Continued from page 1)

during the base period established for the price ceiling, have presented a particular problem in this regard.

Procedure for fixing a new catalogue price is as follows: the mail-order house informs the local branch of the W.P.T.B. of the price it proposes—or hopes—to charge for a certain item. The local office studies the situation and makes its recommendations to head office at Ottawa. Further study is made there and eventually a final decision is handed down.

Hits Commercial Travellers

The new price regulations have brought similar problems for commercial travellers. Their requests for clarification on prices they are to ask have been pouring in to Ottawa.

While this waiting for official word has naturally caused some disruption to the normal activities of the wholesale trade, decisions are now coming through. On some lines the traveller is being given a definite margin of mark-up with the selling price range being stated in relation to the cost price-range.

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Bond Sales

Treasury Bills

Latest issue of Dominion of Canada treasury bills has again sold at a slightly higher cost basis. The $45 millions issue has been placed at an average price of 99.86361, or a cost of 0.548%, comparing with 0.545% on the preceding issue for a like amount. With the present sale, each maturity of treasury bills outstanding has been increased to $45 millions, bringing an increase in the total debt outstanding in this form of $40 millions in the year.

* * *

City of Ottawa

The Bank of Nova Scotia has purchased $75,274 of City of Ottawa serial debentures at an average price of 100.78. Three issues were included in the total: $31,920 in 2¼% 5-year debentures; $16,572 in 2½% 10-year debentures; and $26,782 in 3% 15-year debentures. Tenders received were as follows:

Firm:	Bid
Bank of Nova Scotia	100.78
Wood, Gundy & Co. Royal Bank of Canada The Dominion Bank Nesbitt, Thomson & Co.	100.47
Dominion Securities Corp. Imperial Bank of Canada	100.147
Harris, Ramsay & Co.	100.31
Bell, Gouinlock & Co.	100.30

* * *

Cap de la Madeleine, P.Q.

The City of Cap de la Madeleine, P.Q., announces private sale of $40,000 in 4½% debentures to the Banque Canadienne Nationale.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total com. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	108.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.1	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	68.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	66.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Sept.	80.5	78.5	75.1	51.3	108.4	93.3	102.4	82.4	68.8	91.2	74.7	71.0
Oct.	78.3	75.5	74.5	51.2	105.7	91.9	98.7	78.9	67.2	90.8	72.5	69.1
Weekly Figures:												
Nov. 6	78.2	75.1	73.3	53.1	109.0	91.9	100.7	77.7	66.1	90.7	71.7	69.3
Nov. 13	78.2	75.8	74.2	53.0	110.5	90.6	102.0	77.8	66.2	92.0	71.5	68.6
Nov. 20	78.0	77.9	76.1	52.4	109.7	90.7	104.0	78.1	65.4	92.1	71.1	68.7
Nov. 27	78.5	76.7	75.8	53.1	110.9	90.8	103.7	77.7	64.4	91.8	70.2	68.5
Dec. 4	78.3	77.0	76.1	50.8	110.8	91.5	106.6	78.0	64.1	91.4	70.6	67.9
Dec. 11	75.6	72.8	69.8	50.3	110.0	89.9	101.6	75.9	62.1	91.1	68.3	67.0
Dec. 18	74.5	71.3	71.3	48.0	110.3	92.0	104.2	74.0	61.5	89.8	67.1	65.9
Dec. 26	74.4	71.7	71.3	47.6	110.3	92.1	105.6	74.5	63.1	89.9	67.8	66.3

*High and low for year from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Dec. 30	92.77	81.88	68.52	18.51
Dec. 29	92.24	81.19	67.99	18.46
Dec. 27	91.95	82.18	67.87	18.35
Dec. 26	91.74	82.02	67.25	18.30
Dec. 25	—Holiday—			
Dec. 24	91.56	82.08	66.84	18.26
Month ago	94.38	88.92	68.25	18.87
Year ago	100.94	108.31	67.93	21.01
High 1941	103.48	109.76	75.30	21.62
Low 1941	85.87	81.19	59.30	16.73

Montreal Stock Exchange Averages

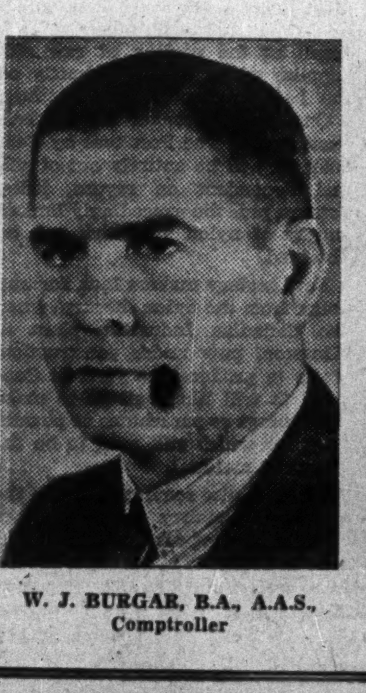
	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Dec. 30	41.7	60.1	54.0	74.08	53.94
Dec. 29	41.8	59.7	53.7	73.54	54.13
Dec. 27	41.8	59.7	53.7	73.60	54.40
Dec. 26	41.8	59.2	53.4	73.96	55.08
Dec. 25	—Holiday—				
Dec. 24	41.7	59.1	53.3	72.61	55.47
Month ago	43.2	61.7	55.5	80.34	59.11
Year ago	54.0	65.1	61.4	81.46	70.67
High 1941	54.3	66.6	62.3	88.90	70.99
Low 1941	41.1	52.3	49.3	58.96	54.13

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Ottawa, Ont.	Dec.	Bank of Nova Scotia	2¼% 2½% 3%	1942-45 1942-50 1942-55	$31,920 16,572 26,782	100.78	.....
Cap de la Madeleine, P.Q.	Dec.	Banque Can. Nationale (privately)	4½%	.....	40,000	.....	.....
Dominion—							
Canada Treasury Bills	Dec.		...	Apr. 1, '42	45,000,000	99.864	.548%

NORTH AMERICAN LIFE EXECUTIVE APPOINTMENTS



W. J. BURGAR, B.A., A.A.S.,
Comptroller

E. D. GIBB, B.A., F.A.S.,
Assistant Actuary

D. T. WEIR, B.A., F.A.S.,
Assistant Secretary

J. S. KILGOUR, B.A.,
Assistant Secretary

The Financial Post Asked a Group of Canadians This Week—

Should Canada use opportunity of Washington conference to propose practical plan of permanent political and economic union of English-speaking world?

Readers are invited to propose questions on which they would like to see pro and con discussion in this department in weeks to come. Please write: The Editor, The Financial Post, 481 University Ave., Toronto.

Hon. C. P. Beaubien,

Montreal, Senator and director of Banque Canadienne Nationale

Political and economic union of English-speaking world at best and in happy days is but a dream.

Now it would be a nightmare, setting British and Americans at one another's throats.

No responsible statement on either side of the water would support, nay even suggest it in present hectic days. Better forget it at all events until we can at leisure busy ourselves with purely academic subjects.

* * *

R. A. Brown, Sr.,

Calgary, President and managing director of Brown Oil Corp. Ltd.

I believe that Canada should use the first opportunity to initiate discussions of a plan towards permanent political and economic union of the English-speaking world.

The successful formulation of such a plan would, in my opinion, reaffirm the confidence of the Canadian people in their belief that peace and prosperity for many generations will follow the victorious conclusion of the present war.

W. J. Donald

* * *

Managing director, National Electrical Manufacturers Association, New York

While Canadian born, I am an American citizen and it does not seem to me appropriate for an American citizen to be expressing comment on what Canada should do, and I have learned over the more than 25 years that I have been in the United States that it is particularly inappropriate for an ex-Canadian citizen now an American citizen to express such an opinion.

* * *

Norman J. Dawes,

Montreal, President and managing director of National Breweries Ltd.

Victory in this struggle is the first objective and it is understood that the political leaders of the three English-speaking democracies have met to co-ordinate and, as far as possible, unify the effort required to achieve this result.

Therefore, if a closer political and economic union of these three democracies is expedient for this purpose, it may be assumed that these democratically elected representatives of the people, are competent to give this matter the consideration that it deserves at this moment and will do so.

* * *

Dr. F. A. Gaby,

Toronto, Executive vice-president and director of The British American Oil Co.

Canada's outstanding predominance in developed natural resources would place her in a favored position to co-operate economically in the interests of its broader development industrially, and as a nation, Canada has a great deal to gain by economic collaboration with the Anglo-Saxon democracies in the postwar period.

As to political union in its broader aspect, except for world-wide affairs, I am not sufficiently informed on the objective to discuss this intelligently.

* * *

Lt.-Col. F. Fraser Hunter,

Durham, Member of Ontario Legislature, former member Bengal Lancers, served in 14 wars

In war, the British and American peoples are now United. In Union lies strength and if righteousness in alien enemies is to be permanently compelled, we will need every atom of our power and some practical plan for political and economic union of English-speaking worlds in peace as well as war is imperative.

* * *

Robert S. Johnston,

Hamilton, President Central Council United Empire Loyalists

Unable to express view other than personal at present time. United Empire Loyalists feel the paramount concern is winning the war, and all-out assistance to our government.

* * *

A. R. Kaufman,

Kitchener, President of Kaufman Rubber Co. Ltd.

Provided the axis powers are disarmed and kept disarmed I quite approve permanent political and economic union of English-speaking world whose purpose should be enforcing peace and allowing reasonable access for all nations to the world's raw materials and trade.

Union should include later all other nations that subscribe to democratic ideals and offer sincere and sympathetic co-operation in attempt to avoid commercial irritations that create strife.

* * *

Sir Alfred B. Morine,

Toronto, Minister of Justice and Attorney-General, 1919; Leader of Legislative Council, Newfoundland, 1924-28

No. Decidedly not. This conference should confine itself to the single question, "How to win the war." It it not so constituted as to be qualified to decide political or economic questions and has no mandate for that purpose from either parliaments or peoples of the allied countries.

Discussion at this time of political or economic union would create confusion and perhaps dissention. It is possible that future Allies are not now represented at Washington.

When victory comes the general sentiment of the victors will probably favor equitable terms for enduring peace but "Let's make haste slowly now."

* * *

Chester Martin

Head of the Department of History, University of Toronto; distinguished writer on Canadian history.

This is the hour for one supreme resolve by the whole English-speaking world, that having now put our hand to the plough we shall drive on this time together to the end of the furrow. While united plans for war must have right of way for the present over political projects for peace, who can reflect without shame upon the last 20 years of divided counsels? However daring and revolutionary may prove to be the form of things to come in order to ensure Anglo-American accord, let us now register this vow, to learn once for all this lesson from our folly in order to safeguard peace for our children and freedom for mankind.

* * *

B. Panet-Raymond, K.C.,

Montreal, Past National President of the Association of Canadian Clubs

Although one might think at first sight that the present Washington conference should be a splendid opportunity to plan an after-war programme for the English-speaking nations of the world, yet it would appear more desirable that those meetings of government chiefs in Washington should devote all their time and energy to the problems of the war thus assuring the victory that will later put within easier reach the solution of most problems affecting the English-speaking world.

* * *

The Editors reserve the right to brief replies which seriously exceed the 100 words requested.

New Books

Canada Grows Old

POPULATION—CANADA'S PROBLEM. Steven Cartright Published by The Ryerson Press, Toronto. Price 30 cents.

To the tendency of Canadians to make over-optimistic predictions of their country's future stature, Steven Cartwright's booklet will act as a healthy corrective.

Not that Mr. Cartwright rules out such glowing forecasts as Stephen Leacock's estimate of 250 millions population for Canada. But he does emphasize that the more optimistic statements have little basis in the facts as we now know them, and must depend for fulfilment on revolutionary technical changes.

For the "surface hasn't been scratched" school, Cartwright has a barrelful of deflating facts—that in the past Canada has lost nearly as much by emigration as she has gained by immigration—that Canada's own rate of natural increase is tapering off, and would bring a stable population by 1971 if held to its present course.

Can we look for more European immigration after the war?

That will depend largely on how well Europeans are satisfied with postwar Europe. Least contented Europeans, Cartwright points out, are likely to be the Germans, and Canada may not wish to grant them entry on a large scale.

Second major factor in determining the number of immigrants that may wish to come to Canada will be the kind of opportunities Canada has to offer. Our present policy of restricting the majority of non-British immigrants to agricultural work does not jibe with the Dominion's real circumstances, it is pointed out.

At present, he says, the "empty" prairies have room for only about 200,000 additional settlers on reasonably good land. Throughout, the tendency of Canadians has been to leave the land for the city, hence, Cartwright concludes, the possibility of a larger population is tied in mainly with development of secondary industries. The pyramid will have to grow by lengthening its industrial altitude, not by expanding its agricultural base.

On the whole, "Population" will not be welcome reading for some. Perhaps its most constructive and hopeful suggestion is that a larger population may be attracted to this country, but mainly as a result of a planned programme toward that objective.

About Well-known People

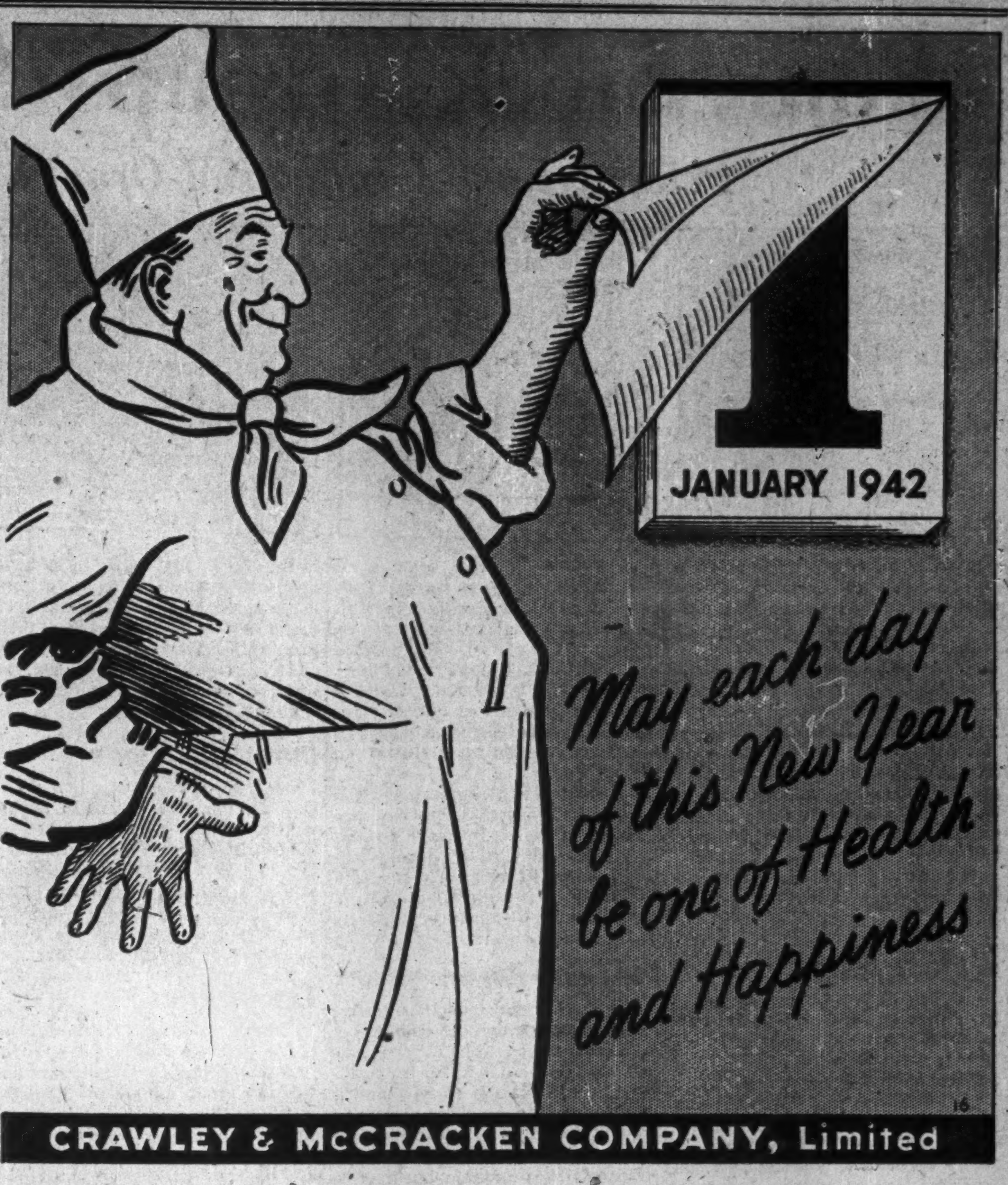
WHO'S WHO IN CANADA, 1940-41. Edited by B. M. Greene. Published by International Press Ltd., Toronto. Price $10.

Serving as a standard reference work on people in Canada and British Possessions in the western hemisphere, Who's Who in Canada is a record of the men and women of the time. Major portion is given over to personalities in Canada and Newfoundland but a number from the British West Indies are included.

Periodic revisions of this book have regularly meant expansion and more people included. This year is no exception and it is estimated that more than 3,500 names are to be found. To get so many biographies into a single volume, each story must be concise. It is a reference work and as such fills an important need in many places.

Photographs are used freely throughout the book. As the editor states in his preface: "It has been my aim to make the sketches as compact as possible, to give actual biographical facts, without eulogies, oft-times merited, but which have no place in a work of this nature."

For anyone wanting to know where about 3,500 Canadians were born and when, what their business and other connections are, who they married and where they live, Who's Who in Canada is a welcome answer.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JANUARY 1942
May each day of this New Year be one of Health and Happiness
16

CRAWLEY & McCRACKEN COMPANY, Limited

Plan Air Link Can.-U. S. Capitals

From Our Own Correspondent

MONTREAL.—Consideration is now being given to the establishment of a direct air service between Ottawa and Washington. Plans are still in the formative stage, but it is understood that the volume of traffic between the two points is sufficient to warrant establishment of a daily service.

B. C. Power Net Lower on 'A' Stock

From Our Own Correspondent

MONTREAL. — British Columbia Power Corp. reports gross earnings in November at $1,669,948, an increase of $171,319 over the same month last year. After expenses, interest of preferred dividends, there remained a balance for the A stock of $213,559. This was $6,895 less than for Nov., 1940.

Cumulative returns for the 11 months ended November, show gross earnings of $16.9 millions or $1.6 million more than for the like period of 1940. After deducting all prior charges, balance available on the A stock was $1,984,420, or $1.98 a share. This contrasted with a net profit of $2,028,953 or $2.02 a share for the first 11 months of 1940.

Defence Industries Ltd. Employs Over 18,000

From Our Own Correspondent

MONTREAL.—Defence Industries Ltd., Canadian Industries' wartime offspring, is a good example of "the tail that wags the dog." According to Dr. H. G. Littler, assistant general manager, D. I. L. now has over 18,000 employees, compared with the parent company's 6,000 employees.

Though D. I. L. cannot compare with its parent company in the variety of products made, the range is still wider than many people think, said Dr. Littler. "We produce, besides the ubiquitous T. N. T., the full range of both smokeless powder and cordite propellants. In addition we manufacture the two most widely used detonating compounds, lead azide and petryl, and two chemicals, carbamite, an ingredient of cordite, and hexachlorethame, the basis of artificial fog."

Much of these materials are actually loaded into the finished projectiles at the C. I. L. plants, among which are cap and detonator plants, whose output is measured in millions, and small arms ammunition plants, whose output is also measured in millions.

D. I. L.'s shell-building plants, continued Dr. Littler, are just coming into production. Here are filled, or will shortly begin to be filled, a range of projectiles from the tiny Bofors A. A. shell to the large torpedo war-head.

Staff and labor in D. I. L. plants are drawn from widely different sources. Dr. Littler told of a shell-filling line on which a French-Canadian farmer and a trainee worked alongside of a doctor of medicine who used to have a large practice in Paris, and who escaped just ahead of the invasion. A foreman on the line was an Englishman lent to D. I. L. by another Canadian chemical manufacturer, and the shift supervisor was a Free French major. The man in charge of production was a mining engineer from British Columbia and the works manager was a member of the C. I. L. "Cellophane" staff from Shawinigan Falls.

Charge Eastern Fish Firms Taking Unfair Advantage

From Our Own Correspondent

VANCOUVER—British Columbia fish packers who undertook to place British requirements for canned herring above all other considerations during the past year are somewhat disgruntled over a development in the domestic market whereby, according to their claims, eastern fisheries interests have enjoyed a definite advantage.

"We accepted the representations of the Canadian Government, and took the orders for the United Kingdom, even though it meant sacrificing our domestic business," stated a spokesman for the west coast packers. "But we did not contemplate the possibility that while our herring pack was rolling east, the eastern pack would be rolling west to take advantage of the situation thus created."

British Columbia canners contend that in view of the fact that Canada's east coast fisheries are 3,500 miles nearer Britain than those of the Pacific, the former should have been first called upon to meet British requirements to as great an extent as possible, British Columbia supplying the balance.

The Fisheries Institute of British Columbia, representing most of the larger fish packers, issued a statement declaring:

"Evidence is accumulating that the eastern pack is on sale in all parts of Canada at prices much in excess of 1940 levels.

The Institute has asked the Canadian Government to avail itself of the closer proximity to Britain of the Atlantic fisheries; to place eastern and western packers on a basis of equality in rendering national service, and to safeguard the domestic Canadian market.

Canada's War Strength Entering 1942

Facts and Figures of Our War Effort
Now – A Year Ago – And War's Beginning

Armed Forces

Royal Canadian Navy

	Now	Year Ago	War's Beginning
Men	25,000	15,300	1,800
Ships ..	300	175	15

Losses: 400 Men, Six Ships

Canadian Army

Active	240,000	167,000	4,500
Reserve	170,000	100,000	55,000

Royal Canadian Air Force

Men	93,000	36,000	4,500

Losses: 1,100 Men

Training Centres and Schools

Army 184; Navy 26; Air Force 108.

War Production

Shipbuilding

	Now	Pre-War
Employment	20,000	1,500

Output: 1 corvette every 4 days in $125 millions programme;
100 freighters by end of 1942 in $300 millions programme;
$9 million small-boat programme 50% completed.

Aircraft

	Now	Pre-War
Employment	30,000	1,600

Output: First half of 1941 greater than all 1940.

Guns

25-pound field guns, 500 monthly in 1942
3.7" anti-aircraft gun barrels
3" mortars
Browning machine guns
Lee-Enfield rifles, to reach 200,000 a year
Anti-aircraft guns, 400 a month in 1942
2" mortars
Bren guns, 2,000 a month
Naval guns, 150 a month in 1942
Anti-tank guns

Ammunition

Small arms, 50 million rounds a month
Cartridge cases, 2 million a month
500-lb. aerial bombs
Depth charges
Rifle grenades
Trench mortar bombs
20 types of shells, 1.2 million a month
Fuses, gaines, primers, 1 million a month
Bombs, ½ million delivered
Anti-tank mines
Pyrotechnics

Chemicals and Explosives

12 types of chemicals, 8 types of explosives being produced. Twenty of Canada's 23 plants are in production with output this year to exceed entire Great War production.

Tanks

Production started June, 1941. Programme calls for 1,000 cruiser and 800 infantry tanks, production of 200 a month early 1942

Vehicles

One army automotive unit produced every three minutes. Over 150,000 army vehicles of 160 different types delivered.

War Costs

Total War Spending

This year	First Two Years
$2,350 millions	$2,183 millions

Raised by Taxes

1941-42	1939-40
$1,500 millions	$468 millions

Own Direct War Costs

Paid-as-we-go	78%	76%

Canada the Arsenal

Exports

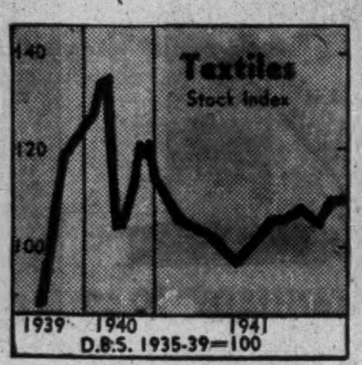
(In thousands)	1st 10 mos. 1941 $	1st 10 mos. 1939 $
To Britain	548,985	268,759
To rest of Empire	177,438	84,010
To U. S.	4[illegible]7,593	281,195
To Egypt	55,639	277
To India & Burma	34,023	4,029
To Newfoundland .	22,243	6,660
To China	6,126	2,441
To Russia	1,285	2

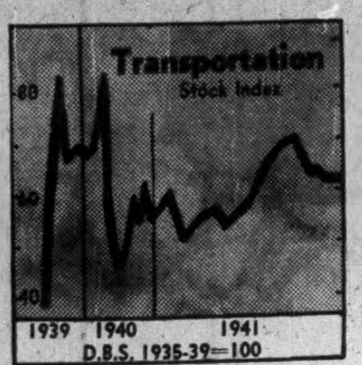
SPEED in construction—speed without waste of time or materials—the speed which Canadian industry needs to meet the stern demands of the present emergency—such speed depends upon wide experience, efficient organization and complete equipment. This is the type of speed with which the Foundation Company has performed and is performing its many and varied tasks throughout Canada for the promotion of the country's war effort.

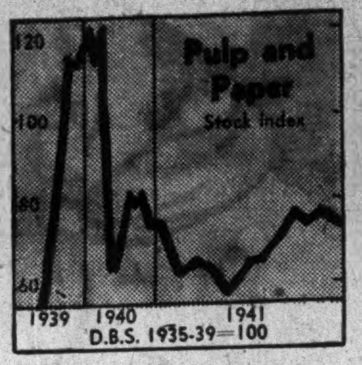
THE FOUNDATION COMPANY
OF CANADA LIMITED
TORONTO MONTREAL HALIFAX

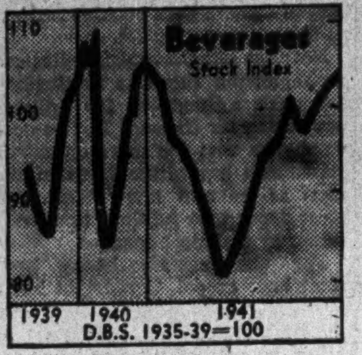
Four Stock Groups Show Wartime Gains

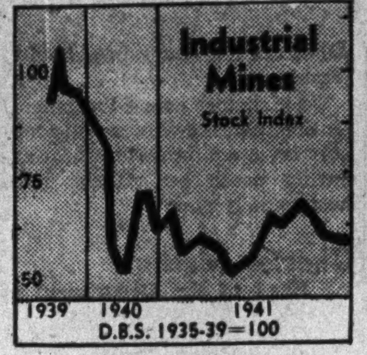
Price Action of Industrial Groups Emphasizes Need for Watchfulness

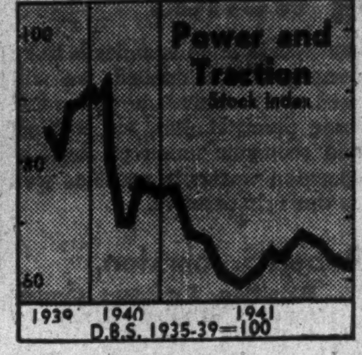












It would have been quite possible for the fortunate—or farseeing—investor to have made substantial profits on stocks since the war started in 1939.

In four important industries gains since Aug., 1939, have been substantial.

But this has not offset the declines among the wider range of industrial groups. Rather it has emphasized the need for care and selection in investing. It illustrates the different way in which war affects different businesses and the somewhat fortuitous gains which certain businesses have received, arising out of the war itself.

Textiles Awake

Textiles and clothing companies have come out of the doldrums as a result of the war, in spite of interference with supplies such as cutting off silk supplies.

In the coming year there appears to be a possibility that further restrictions will be placed on this industry and that it will be somewhat upset by price controls. Just how serious this will be is not clear as yet. The textiles and clothing industry, however, is a consumer business. The need for its products will not end with the end of the war and as such it probably holds above the average interest at this time.

Transport Leads

Using the breakdown of Canadian industry provided by the Dominion Bureau of Statistics in its indices of stock prices, greatest gains are shown by the transportation group. This is heavily weighted by Canadian Pacific Railway common, a stock which has given an excellent account of itself during the war. This reflects the greatly increased volume of rail traffic which to date has more than offset the higher costs, leaving the company with a substantially higher margin of earnings and, in the opinion of many, an improved prospect for dividends on the common.

Other stock in this group, Canada Steamship Lines common, has also given a good performance as has the senior stock of this same company. For the transport group as a whole, there is nothing in sight to cast doubt on top-speed activity throughout the war.

Pulp and Paper

Pulp and paper securities reflect the changed position of this industry with competition from Europe ended. The Canadian industry is operating at a high rate of activity and is likely to continue so. For newsprint alone it has not meant capacity operations, but it has meant a larger share of the profitable business in the United States. For fine paper makers, the outlook is that business offered will be more than it can handle. The same condition applies to pulp, kraft papers, and insulating board.

Beverages

The war has been kind to beverage companies. To a great extent this is a reflection of conditions in the United States, as this index in Canada is heavily weighted by Distillers' Corp.-Seagrams and Hiram Walker-Gooderham and Worts, both of which companies do most of their business in the United States. Not only have beer and liquor sales been high, but many companies in this group have found substantial outlet for their products in the war. War uses a lot of alcohol and related products and these companies are equipped to supply it.

Industrial Mines

On a percentage basis and up to Dec. 11, heaviest casualties of the wartime stock markets have been the industrial mines. As defined by D. B. S. this means only Consolidated Mining & Smelting and International Nickel. An analysis of the outlook of metal producers will be found elsewhere in The Financial Post.

The Utilities

Closely following for the dubious honor of least satisfactory showing in wartime markets is the power and traction group among the domestic utilities. This also seems to be the outstanding example of support for the historic forecast that utilities do not do well under wartime conditions. Output goes to peak levels but costs rise and rates are relatively fixed. Taxes in particular have taken a heavy slice off the electric utilities earnings. Power use is at record levels and the plant expansion is being pushed. The war will leave Canada with a much greater capacity to produce electric power and may conceivably mean a problem in making use of our resources.

Foods Face Difficulties

Foods and allied products have been another major casualty of the war. Considering the group as a whole probably this is due to difficulties such as those faced by the baking industry. To date, chain store organizations and dairy companies have been doing quite well. Meat packers and canners are now dependent for their important export markets on one buyer, the United Kingdom. For many food products it is not a case of finding a market, but of being able to produce what is wanted.

Price controls are undoubtedly going to affect this food group materially over the coming year.

Millers Disappointed

Effects of the war on the milling industry in Canada, in this case represented by Maple Leaf Milling, Ogilvie and Western Canada Flour, have recently been more favorable than in the early days of the war. The industry needs substantial exports to achieve profitable level of operations and for most of this year has obtained what it needed in this way. Currently exports are slumping. What happens next year or the year after, is going to depend on Britain's need as that is the major export market. Looking farther ahead it is easy to foresee a need for flour, which Canada has abundantly, in feeding a postwar world.

Telephone and telegraph companies, in this case primarily Bell Telephone, have performed somewhat the same as electric power utilities. Current demand is taxing facilities. It has been somewhat reluctant to expand its lines unduly, and, like other companies, is feeling the pinch of higher costs when working against fixed rate structures.

Oils Are Hit

Oil refining and producing has had its ups and downs since the war started. In the first place, producers of crude oil found markets badly disrupted and for Canadian investors this means International Petroleum Co. The oil refineries have long operated on a narrow margin but, for the most of the wartime period, have been benefitting from sharply rising demands for gasoline and oil. Now drastic steps to cut down consumer use are in sight.

Rationing of gasoline and oil won't help earnings of oil refiners. In the postwar world their position should be reasonably good as there is nothing in immediate sight to indicate a decline in the demand for petroleum products.

Banks Stocks Stable

Stocks of Canadian chartered banks have proved relatively stable. With an increasing proportion of earnings coming from high-grade bonds and interest rates continuing low, the problem of boosting earnings is difficult. Increasing industrial activity normally means greater demand for commercial loans and this has always been the bank's greatest source of income. The year just closed appears to have been satisfactory for most banks.

Building Materials

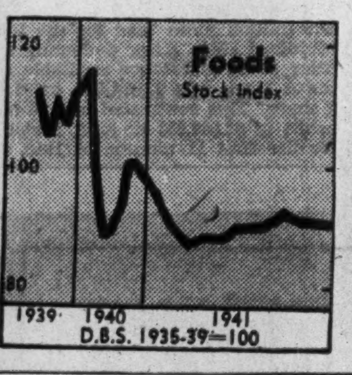
Building materials, which in this case includes a wide range of materials such as structural steel, paints and many others, have not given particularly good performance to date. This group includes what are normally considered "war babies" such as the steel companies.

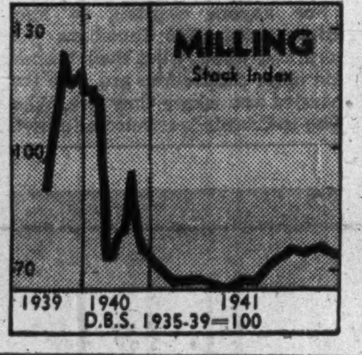
These have been producing at top rate and are going to continue to do so. Their facilities are taxed and are being increased, partly with the aid of government financing. For the coming year, prospects are that steel use will be restricted for civilian consumption although this will not threaten the need for top capacity output on the part of primary steel producers. Its effect will be selective rather than general. Construction as a whole may not fare as well in the coming months as in the early months of the war when our wartime plant equipment was being rapidly expanded.

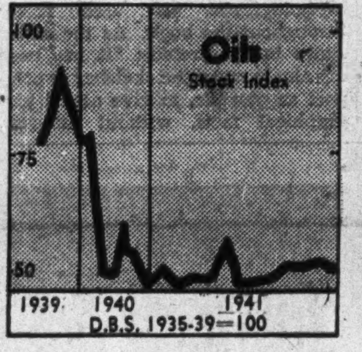
Machinery Group

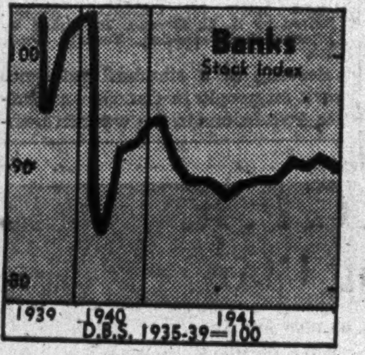
Machinery and equipment includes a large group of companies which is currently turning more and more towards direct war output. It includes such units as Canadian Car & Foundry, Cockshutt Plow, Fleet Aircraft, Ford of Canada, General Steel Wares, Massey-Harris, National Steel Car and Page-Hersey.

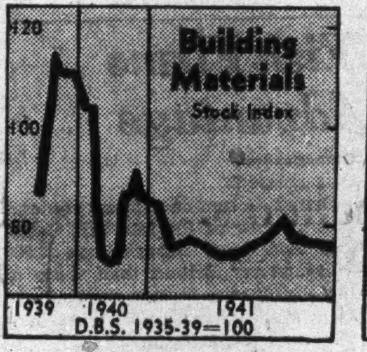
Every company in this group is producing essential war equipment. They are busy and likely to continue so. Depending to a large extent on war orders, however, means lower than normal profit margins and gives less opportunity for increased earnings than might have been expected. In a number of cases this group might feel the end of the war more than the average, although there would be a reconstruction need from which they should profit.

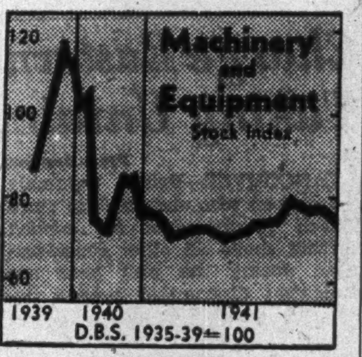












Investment Trends

Coming Year Demands Shrewd Appraisals

War News, Price and Wage Controls, Priorities Emphasize Need For High Calibre Management and Corporate Strength

Investors probably do not look back at the first two years of war with any great satisfaction. While their dividend return has been well maintained—and increased in many cases — depreciation of capital, fortunately on paper only, may have been heavy.

Even more than in the past careful study of all business news, of all new regulations and restrictions imposed by the government, is going to be essential. Investors cannot hope to move intelligently if they only study news in which their own company is mentioned. The economic picture is far too complicated and too many threads go into the whole pattern, and into each individual pattern, for that to be safe.

Buy Quality, Management

More than ever before emphasis is going to be on management ability. It is going to take above the average acumen to pilot a company unharmed through the troubles ahead. Good management always has meant at least the difference between average performance and top performance. Now it may mean the difference between continued existence and failure.

It still seems sound to put emphasis on investment in companies assured of a continued market for their output in peace as well as in war. Until price control is ironed out, consumer industries may be faced with more than their share of troubles, but if their product is assured of a good wartime demand and will be required after the war is won, then such an investment seems to have more than the average attraction. For a manufacturing company, it seems important that it have its source of raw materials within this country, or at least well out of the war zone and even more desirable if these materials are not subject to shortages and priorities.

Finally, it seems necessary that the company has adequate financial strength, not only to maintain its position through a period of earnings restricted by the war, but to keep its plant in good shape and still be able to compete after the war.

Undoubtedly, war will result in many improvements in manufacturing methods. It will leave us with a tremendously expanded industrial capacity although how much of this can be shifted to ordinary production can hardly be foretold. But certainly the pains of inefficiency will be more serious than ever. This again emphasizes the urgent need for careful investigation and reliance on quality of management, plant and product.

* * *

Effect of Priorities

Canada is apparently going to get a taste of "priorities unemployment" in the coming year. When gasoline is to be rationed, manufacture of household appliances cut to 50% or less of last year's levels and in many cases banned entirely, the turnover to wartime output may not be able to keep pace with the impact of the curtailment.

The result can hardly be favorable for companies affected. Even if they are able to keep going at top speed in war work, the earnings of this type of production is invariably less than a comparable effort devoted to peacetime output would give.

New and largely unpredictible as yet, are an entirely new set of conditions arising out of Canada's prices and wages ceilings. These are bound to upset many lines of business, particularly those serving the general public. Almost invariably, they seem likely to cut into earnings although how much is hard to say at present. The conclusion must be, however, that such controls further weaken investor optimism, although the alternative of runaway inflation is of course undoubtedly a more forbidding prospect.

* * *

Chart of War News

Stock market charts today are more or less charts of the war news. The fact that the trend has been gradually downward for many months also indicates the scarcity of news that can be interpreted as convincingly cheerful.

B. C. Telephone Sets Record

A new record in long-distance business over telephone lines in British Columbia is probable for 1941, according to a statement by British Columbia Telephone Co. in the "Telephone Talk," its house organ.

It is stated that the amount of long-distance business handled in August was the largest of any month on record. On Aug. 29, the total number of calls put through from Vancouver was the largest of any day in the company's history. This gives effect to business handled up to Nov. 1.

Net growth in telephones in the British Columbia Telephone Co's. system for the first ten months of 1941 was 7,785 as compared with 4,142 for the same period of last year, brought about directly and indirectly by the war effort. This compares with the largest net growth of 9,771 telephones in 1928.

Difficulty in obtaining equipment is reported by the company. To date subscribers in British Columbia have not been affected to any important extent but the situation with regard to obtaining equipment and material is becoming increasingly difficult. Factories are operating under government restrictions as far as raw materials are concerned and are also engaged in turning out communications equipment essential for war.

Royal Bank Assets Over $1 Billion

Many Gains But Earnings About Same

From Our Own Correspondent

MONTREAL. — Royal Bank of Canada's financial statement for the year ended Nov. 29 reveals:

Record assets of $1,075 millions;

A substantial advance in deposits;

A relatively sharp gain in investments in Dominion and provincial bonds maturing beyond two years;

And little change in earning power.

Assets increased almost $120 millions during the past year. Deposits by the Dominion and provincial governments moved up from $35 millions to $42 millions non-interest bearing deposits of the public from $399.1 millions to $484.7 millions, and public deposits bearing interest from $405.5 millions to $417.4 millions.

Seek Larger Return

The way increased assets were put to work is of interest. Investment in government short term securities changed only fractionally. On the other hand holdings of longer term government securities increased from $110.7 millions to $161.3 millions, indicating the bank is seeking a larger return on its investments.

Call and short term loans in Canada declined during the year from $10.2 millions to $7.3 millions, while similar loans outside of Canada increased from $7.4 millions to $16.5 millions. Current loans and discounts in Canada advanced from $229.4 millions to $241.7 millions.

Income is Unchanged

Income of the bank last year totalled slightly more than $3.5 millions, or practically the same as in the 1940 fiscal year. The fund for bank premises was increased $100,000 to $400,000, leaving surplus after dividends of $10,928, as against $101,894 the year before.

Particulars of the income account, together with highlights of the financial statement for 1941 and 1940, respectively, follow:

Years Ended Nov. 29

	1941 $	1940 $
Profits	*3,535,928	3,526,894
Dividends	2,800,000	2,800,000
	735,928	726,894
Pension fund	325,000	325,000
Bank premises	400,000	300,000
	10,928	101,894
Prev. balance	3,198,146	3,096,252
	3,209,074	3,198,146

*After providing for Dominion government taxes and making appropriations to contingency reserves out of which reserves provision for all bad and doubtful debts has been made.

Liabilities

	1941 $	1940 $
Dom. govt. dep.	31,385,429	20,462,767
Prov. govt. dep.	11,538,097	15,065,375
Public deposits	902,152,676	804,606,548
Due to banks	11,027,994	12,263,507
Notes in circ.	22,325,890	25,103,351
Letters of credit	35,906,480	18,003,678

Assets

	1941 $	1940 $
Notes & dep., Bank of Can.	86,542,227	82,086,683
Other cash and bank balance	101,285,122	95,333,026
Cheques on oth. bks.	46,251,360	29,171,879
Dom. & Prov. govt. secs.	371,231,959	311,833,109
Munic. and oth. secs.	52,872,623	48,891,727
Call loans	23,825,018	17,638,183
Loans, Canada	243,357,531	231,234,467
Loans to cities, towns, mun. & school dist.	15,648,081	18,374,597
Loans, foreign	75,554,656	79,277,396

Market Opinions

It appears that many students of stock market price movements are inclined to feel that stocks are preparing for an advance although not ruling out some further declines.

Magazine of Wall Street, N.Y.—We believe that the present selective strength and the nearby end of tax selling are preliminaries to a substantial market advance, although the news from the war fronts will remain influential. Discriminating purchases are favored.

* * *

Barron's, N. Y. (The Trader)—Readjustment of prices has represented, by and large, the discounting of the transition to a complete military economy. Hardest hit have been the makers of consumer goods. Long-term record of all of the companies, now drastically affected by imperative military needs, cannot altogether be disregarded. Opinion is that before summer war orders will begin to take up the slack of dwindling civilian production.

Stocks are now at close to the lowest level in six years. The figures speak for themselves and warrant confidence in the extreme. The absolutely complete exhaustion of liquidation prior to inauguration of a dynamic forward movement may not be signalled until the advent of traditional, prolonged dullness accompanied by the inconsequential fluctuations characteristic of a so-called base pattern.

* * *

Barron's N.Y. (The Dow Theorist)—The averages in their movements appear to be seeking a bottom. Whether or not they will succeed in doing so without further new lows is naturally unpredictable under the Dow theory or by any method whatsoever, regardless of the claims of would-be market prognosticators. But the action of the averages does add to the evidence of recent weeks that stocks in general are preparing for recovery, rather than for a plunge to much lower prices. Technically, it appears to be that we are in an intermediate decline constituting a phase of the bear market which began almost two years and four months ago.

* * *

Brookmire Counsellor, N.Y.—The stock market continues to display irregular and declining tendencies. The market will bear close watching for signs of its responsiveness whenever the news becomes better. Care should continue to be taken to include in stock portfolios adequate representation in armament and inflationary beneficiaries; and advice will be given regarding use of part of the available cash on clarification of the market outlook.

* * *

Financial World, N.Y.—Action of the stock market has not yet given any dependable signals that a reversal in trend is developing. Inauguration of an upturn of more than minor proportions is usually preceded by either several sessions of sharp drops in the averages, accompanied by greatly increased volume—or by a period of dullness during which prices move in a narrow range. Neither picture has yet appeared, but investors should now be watching for them. The probabilities are that the time for adopting a more aggressive purchasing policy is not far removed.

Provincial Bank Assets Gain Over $5 Millions

From Our Own Correspondent

MONTREAL.—Provincial Bank of Canada's financial statement for the year ended November 29, 1941, shows assets at $60.8 millions, an increase of $5 millions compared with the previous year and second highest figure ever reported by the bank. Earnings were on practically the same level as in the previous year, with a small balance being added to surplus after payment of dividends.

The profit and loss account reveals a net revenue for the year of $440,643, as against $436,685 for 1940. Taxes showed a moderate increase at $149,209 while the amount written off real estate account remained the same. A surplus of $1,434 was carried forward, as against $1,085 the year before.

During the past year non-interest bearing deposits increased from $9.3 millions to $13.7 millions, while interest bearing deposits advanced from $37 millions to $39.4 millions.

Investment securities amounting to $26.5 millions show an increase of $4.3 millions over last year. Federal and provincial government securities also show an increase of $5.7 millions. Municipal securities were reduced by $1.7 million, while other bonds and debentures increased by $300,000.

Call loans declined during the year from around $3.5 millions to just under $3 millions while loans and discounts increased from $13.3 millions to $16.9 millions.

Particulars of the income and surplus account, together with highlights of the financial statement follow:

Income and Surplus Account
12 Months Ended Nov. 29

	1941 $	1940 $
Net revenue	440,643	436,685
Less: Taxes	149,209	145,600
Real estate w/o	50,000	50,000
Dividends	240,000	240,000
Surplus	1,434	1,085
Previous surplus*	209,329	247,908
Surplus forward	210,763	248,993

*Adjusted.

Highlights of Report

	1941	1940
Govt. bonds (sh. term)	6,788,103	1,915,753
Can. munic. secs.	10,585,014	12,250,478
Loans & discounts	16,930,736	13,326,111
Deposits, non-int.	13,733,995	9,302,284
Deposits, interest bear.	39,417,354	37,057,243

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Bond Markets

Billion For Victory Investors' 1941 Tally

Record Financing Met Without Strain on Market Structure at Steadily Lower Interest Rates

The financing job performed in Canada in 1941 establishes a new high record for any calendar year in the Dominion's history. A total of $1,110 millions will have been raised by the end of the year, largely through the investment markets, with bank financing only accounting for $250 millions of the gross.

In the year, the Dominion has borrowed approximately $40 millions in new money through the medium of treasury bills, some $84.5 millions through war savings, about $5.5 millions in non-interest bearing loans, plus the $730 millions brought in by the Victory Loan.

In the face of the increased burden of financing a war, government bond prices have advanced over a point on the year, the average yield has dropped from 3.23% to a shade over 3%, and savings deposits have regained most of the drop experienced in the Victory Loan.

Little Support Needed

In the continued financing of the war, there are two questions that have been of considerable importance to the less experienced investors who are now shouldering an ever-increasing part of the borrowing burden.

The first is whether our bond markets are "artificial." It is known that the Bank of Canada supports the markets in periods of stress, and the impression is sometimes gained that bond values are "fictitious" for that reason.

But in the past year, adjusting for a government refunding on a longer term, the Bank's holdings of long-term bonds have actually dropped approximately $9 millions. "Support" has become increasingly less important as investors have gained confidence in bond values. When the Jap war broke out, for example, the Bank found it necessary to buy less than $1 million of long-term Canadian bonds in the week of greatest excitement. On balance, the Bank has been able to sell, rather than having to buy securities, a situation that would have been impossible if the majority of investors were dissatisfied with current price levels.

* * *

No Rise in Interest

The small amount of support needed for Dominion of Canada bonds is in itself an answer to the probable trend of interest rates, probably the second major question asked by investors. If borrowing had been conducted at progressively lower interest rates thus far, with no major market disturbance resulting, it would seem illogical to expect that an upward trend in interest rates is likely to develop.

Yield rate on the Second Victory Loan is still a matter for speculation, but few are expecting a yield higher than on the First Victory Loan, and the majority opinion seems in favor of a 3% loan at par, possibly with a small premium payable on redemption which would bring the yield to around 3.05%.

Higher interest rates would automatically cut the market value of the existing government bonds, and with close to $5,000 millions of Dominion of Canada debt outstanding by the end of the year, the capital loss would be a serious matter. A 1% drop in prices would cost investors close to $50 millions in market value. Moreover, a change of trend toward higher rates might initiate a selling wave that would bring a considerably more extensive decline.

Canada Northern Net Improves

From Our Own Correspondent

MONTREAL.—Canada Northern Power Corp., subsidiary of Power Corp., reports gross income in November at $398,641, a decline of $9,991, for the like month of last year. On the other hand, operating expenses were reduced by $15,337, leaving net earnings before income and excess profits taxes, at $233,472. This contrasted with $228,126 for November, 1940.

Cumulative returns for the 11 months' period to the end of November this year, show a gross income of $4.6 millions or $20,203 more than in the like period of 1940. Operating expenses increased by only $6,596, leaving net earnings of $2,586,892, before income and excess profits taxes. This compares with $2,573,285 for the same period last year.

Ready for any eventualities in 1942

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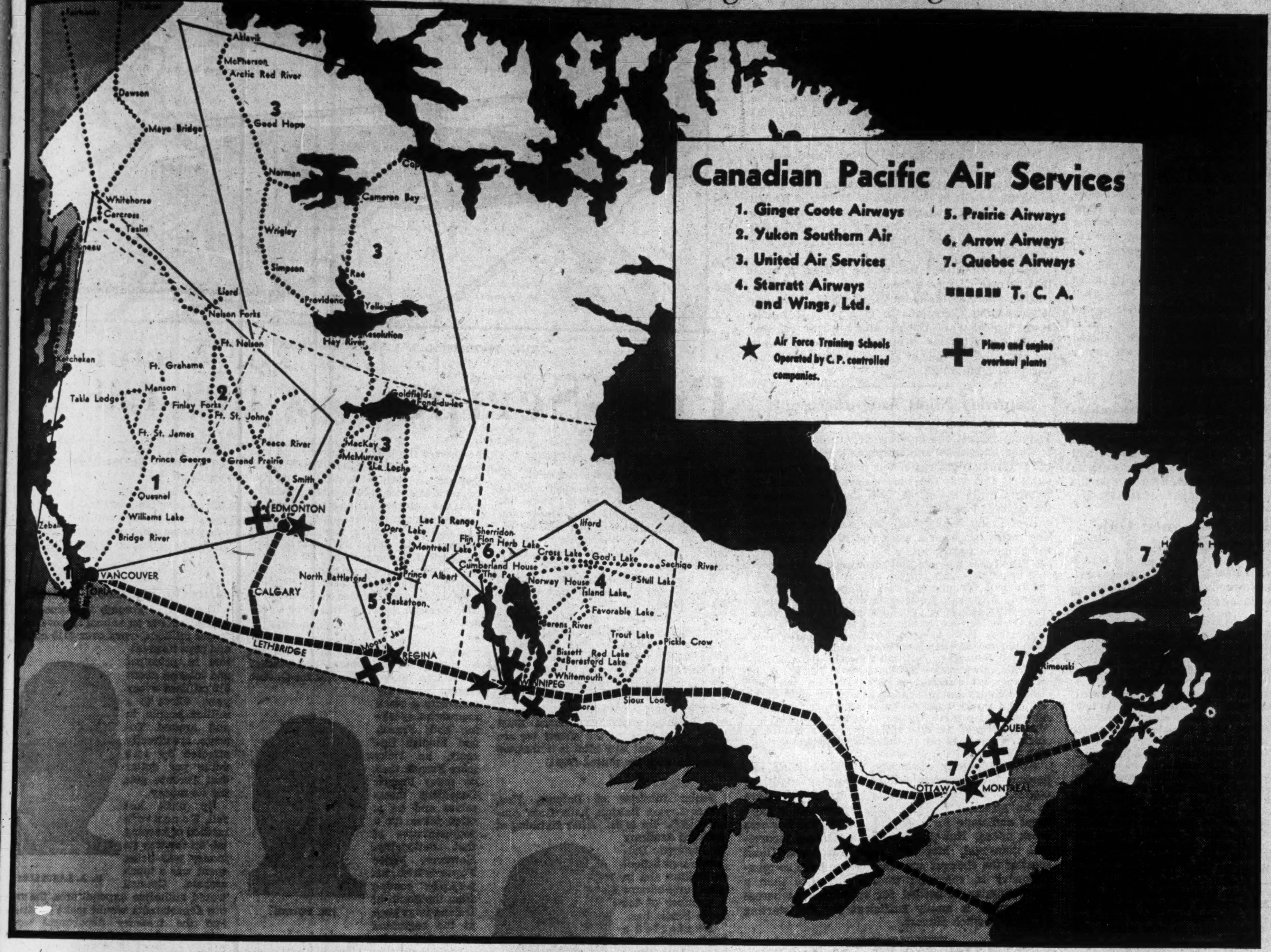

By JOHN LANGDON

The Canadian Pacific Railway is now one of the world's largest air transport companies in respect to mileage of its routes.

A somewhat lengthy process of acquisition has now reached the stage where the C.P.R. controls all but one Canadian air transport company west of the Maritimes and north of the main Trans-Canada line. This will revolutionize the vast peacetime air transport business of Canada's northland and probably have important wartime and defense implications.

Some effects of the new C. P. undertakings are expected to be:

1. More efficient, uniform service, achieved by pooling personnel and material resources of the formerly separate air lines.

2. Stabilization of rates, and an end of the cut-throat competition that kept many of the old independents in the red or close to it.

3. Rounding out of the C.P.R. system, reasserting its claim to World's Largest Transportation System.

4. More efficient development of the Canadian north, with possible eventual establishment of a "top of the world" air line to Europe and Asia.

A little more than half a century ago, the Canadian Pacific Railway opened the West with its steel rails. Shortly after the first train ran from Montreal to Vancouver the company was in the Pacific shipping trade. Not many years later it was in the Atlantic steamship trade.

For more than a year the company has been quietly gathering unto itself control of the so-called "bush airlines" in Canada's Northland.

Factor in Air Traffic

Almost overnight the Canadian Pacific has blossomed forth as a factor which must be recognized in future continental and inter-continental air traffic.

With these northern air lines the company is in a position to do for the northland what it did for the prairies. Moreover, though this is not avowed officially, the company in setting up its northern air services, is at the same time, establishing what may be hopping off places for connecting lines, across the top of the world to Europe and Asia.

The future of passenger and mail transportation is in the air. The Canadian Pacific recognize this; so do scores of other interests. War or no war private and quasi-government agencies the world over are setting out stakes in the after-war air transport industry.

Stake in the Future

There will be a struggle for control of the air-traffic-ways. Just where the Canadian Pacific Railway will fit into this picture no one knows. There may be a few who can give a good guess. Meantime, however, the company is staking a few million dollars to have a foothold in this industry.

Even before the war the company saw the trend. At that time aviation as a commercial possibility seemed a long way off. The company acquired a substantial minority interest in Canadian Airways Ltd., one of the pioneer aviation organizations in the Dominion. Later it turned down the opportunity to participate in the setting up of Trans-Canada Air Lines, not because it had no faith in it, but because of what it considered lack of adequate representation on the board.

It may be that from time to time the Canadian Pacific has regretted its failure to "get in" on the T.C.A. There the matter might have ended, if the war had not come along. In the last two years, aviation has developed at an amazing pace. It has been proved over and over that big aircraft with a high payload capacity can be built. The public has become air-conscious in a way which might have taken years under peacetime conditions.

Get Into Business Now

Air transportation has arrived in no uncertain manner. Many months ago it became apparent to the Canadian Pacific that if it were to have a place in the air transport field after the war it would have to get into the business now.

The situation was surveyed. An Atlantic service was out of the question during the war. The same condition applied to the Pacific. A transcontinental service was tied up by the Canadian Government in the T. C. A. The only services left were Canadian Airways (in which it already had an interest) and a number of relatively small operators in eastern and western Canada.

Need for Co-ordination

The history of northern air routes has not been all bright financially, for it has been possible for many small operators to commence service with limited financial resources.

Hard competition for traffic and on rates has been the order of the day in more than one area.

The lack of adequate financial resources also made it impossible for the small systems to expand into an integrated air line and to establish joint air tariffs and the like.

The Canadian Pacific decided to gamble. It realized that in seeking control of these air lines it was not making an investment now or possibly in the future; but it was taking out insurance against the day when these northern air services might be extremely valuable.

With the knowledge and blessing of Ottawa the C. P. R. started negotiations. One after another of these northern air services came under control of the company.

Today the Canadian Pacific, in cooperation with Canadian Airways, blankets the northern area of Canada west of the St. Lawrence river.

The company has bought Yukon Southern Air Transport; Ginger Coote Airways; Mackenzie Air Services; Prairie Airways; Starratt Airways, Wings Ltd., Canadian Airways Ltd., Quebec Airways Ltd., Dominion Skyways Ltd. and Arrow Airways Ltd.

Operate Big System

In respect to actual mileage of scheduled routes it can be stated that Canadian Pacific Air Services now is more extensive than any other air transport services in Canada.

It is very difficult to set up a mileage figure for the northern routes because of duplication and also the all-important spot charter services. However, on main line schedule flights it is estimated that the northern air lines operate regularly on schedule a mileage equivalent to about two round trips per day from Montreal to Vancouver.

The following are a few approximate distances between main points served by C. P. air services:

	miles
White Horse-Edmonton ..	1,000
Edmonton-Aklavik	1,570
Vancouver-White Horse .	1,400
Vancouver-Coppermine ..	1,225
Prince Albert-Goldfields .	485
Winnipeg-God's Lake	425

In certain areas the services offerred by these companies duplicate and even triplicate each other.

One of the principal changes made since taking over control was to set up United Air Services for the joint operation of Canadian Airways and Mackenzie Air Services from Edmonton to almost the northernmost limits of Canada.

Bigger Than Many Think

What has the Canadian Pacific got for its investment in these northern air lines, aside from personnel and equipment? Public impression of these northern services is that they are "bush lines."

Northern air line flying is no business side show, for it handles approximately 20 million pounds of freight per year. Canada is the greatest mover of air freight in the world with the exception of Russia which, in recent years, has passed the Dominion. However, in the case of Russia it should be made clear that the figures include a very heavy volume of military cargo.

In good years dollar value of air traffic in northern Canada amounts to about $2 millions. In recent years there has been a distinct shift in the division of revenues.

Originally 75% of northern air line revenue came from freight; about 5% from mail and the balance from passenger traffic.

Now that the greater proportion of the mining communities have been established, together with the fact that there has naturally been a decrease in mining development due to wartime restrictions, about 60% of the total revenues comes from passengers; 7% from mail and about 33% from freight.

It is interesting to note, moreover, that it is quite common for these northern air lines to move practically a whole town of people once or twice a year. Mining salaries are relatively high and in a community of, say, 300 people, it is not unusual to find perhaps 250 move out for a holiday once, twice or three times a year. This "movement" is often a heavy source of revenue for a small line.

Four Main Divisions

Operations of the different lines taken over by the C.P.R. fall into five main divisions.

On the west coast there are the operations of Ginger Coote and Yukon Southern.

The second division lies in the area north of Edmonton, to Aklavik, covering northern Alberta and the North West Territories. In the central area are the operations of Prairie Airways, which links up the northern towns with T. C. A.

To the east, in Manitoba and around the Great Lakes, are the operations of Starratt, Wings and Canadian Airways.

Still further east in Quebec are the operations of Quebec Airways and Dominion Skyways.

Survey of Equipment

As time goes on it is likely these operations will be consolidated. At present any plans along those lines are governed by wartime conditions. Moreover, because control has been acquired so recently, sufficient time has not elapsed to permit a close survey of operations or facilities.

It is likely a survey will be made as to equipment.

Some operators are using many different types of equipment. As a result maintenance costs are high. The tendency will be to concentrate craft in service by types.

The general practice is for these northern air lines to adopt twin-engine planes where traffic and operating conditions warrant. However, single engine units often prove much more adaptable for certain types of charter services to the trapping and mining areas.

The majority of planes used in the northern service are convertible three ways—skis, wheels and floats. The craft used include Beechcraft, Norsemen, Barkley Grow, Junkers, de Havilland, Bellanca, Stinson, Lockheed and others.

Keystone of System

Probable keystone of the air services gathered in by the C. P. R. is the Yukon Southern Transport, which in the short space of four years has grown from a small bush service to take civilization into the far northwest. It has opened the mining areas of the Caribou and the trapper lines of the Yukon.

This service connects at Whitehorse with Pan-American Alaska Airways. Strategically it is of the utmost importance. The air bases established by this line are the very ones approved by the Canadian-American Joint Defense Committee forging an advance link through Canada to Alaska.

Over Top of the World

The hope of this young air line is some day to see this line operating over the top of the world to the Far East via Alaska and the Behring Straits.

The man who organized Yukon Southern, Grant McConachie, has mapped out a route from Canada to the Far East. It crosses only 40 miles of open water between the two continents and is 4,500 miles shorter than the southern route across the Pacific. Recently he stated: "We could do it now, if world conditions permitted, with our present equipment, and with the landing facilities which we will soon have it will be no task at all to fly from Toronto to Shanghai in less than 48 hours."

The C.P.R. will not go so far in saying that it has early plans for a flying service from Canada to the Far East. What the future holds in store for this northern line development of the Canadian Pacific is still an open question.

Schools, Shops of C. P. R. Push Air Training Plan

Canadian Pacific Air Services, as now constituted, is making a valuable contribution to the work of the British Commonwealth Air Training Plan in the operation of schools and engine and plane overhaul plants.

The air transport companies absorbed by the C.P.R. have provided a large number of skilled pilots and technical help to the Royal Canadian Air Force for administration work on the Air Training Plan.

Sir Edward Beatty, chairman and president of Canadian Pacific, announces that the functions of the schools and overhaul plants will not be interfered with by the change of ownership. Operations of the individual units will be carried on and expanded as required, he said.

Indicated on the accompanying map by stars, the schools are located as follows:

TRAINING SCHOOLS	OBSERVER SCHOOLS
Edmonton, Alta.	Winnipeg, Man.
Malton, Ont.	Portage La Prairie, Man.
Cap de la Madeleine, P.Q.	St. Johns, P.Q.
Regina, Sask.	Lorette, P.Q.

Plants for overhaul of planes and engines for the Air Training Plan are in operation at Winnipeg (2), Edmonton, and Moose Jaw. A fifth plant is under construction at Cap de la Madeleine, P.Q. Overhaul plants are shown on the map by a cross.

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Mont. Power Exchanging Notes

Holders of 3% Notes Offered 3½% Bonds of 1961 Series

From Our Own Correspondent

MONTREAL.—Collier, Norris and Henderson, are offering for and on the behalf of Montreal Light, Heat and Power Consolid., 3½% first mortgage and collateral trust sinking fund bonds, 1961 series, in exchange for 3% convertible note certificates of the company, on a basis of par for par, plus $1 in Montreal funds for each $100 principal amount of notes exchanged.

Under the terms of the offer, the company is obligated to make the exchange if, by Feb. 2, 1942, 50% of the notes are deposited with the trustee. The company may, however, on or any time before Feb. 2, elect to effect the exchange in respect of all notes deposited, even if the amount is less than 50%.

Details of Bonds

The 1961 series bonds offered in exchange for the notes, are payable as to principal and interest in Canadian funds only.

They rank equally in all respects with the first mortgage and collateral trust bonds already outstanding. The 1961 series are subject to call, in whole or in part, at any time after Dec. 31, 1946, on not less than 30 days notice at a premium of 2¼%. The premium will be reduced from year to year after Dec. 31, 1947, by ¼% until Dec. 31, 1955, after which date no premium will be payable prior to maturity.

The company agrees to establish a sinking fund for the 1961 series, commencing Jan. 2, 1947, of a sum not less than 1% of the greatest principal amount of the bonds issued, together with a further sum equal to the interest which would have been payable on all bonds of this series, retired through operation of the sinking fund.

At the end of last year there were slightly over $19 millions of the notes outstanding, including the 2¾% series which is not involved in this deal.

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The Editorial Page . .

An Essential Service

Security markets have an important job to do in wartime. Most people will agree that our war effort would have been impossible without the stock and bond markets. Money is an essential of modern warfare. Without it, how would we have built the factories that are turning out munitions of all kinds; how else could we have paid and equipped our army, navy and air force?

The job being done by stock and bond markets in this war is a nearly perfect example of a peacetime tool proving an essential for war. Twelve hundred million dollars of new money in war loans alone has been raised by the Dominion of Canada since the war started to finance our war costs; other hundreds of millions have been raised to help Britain by repatriating British-held Canadian securities, to refund maturing obligations of all classes and to provide Canadian governments and industries with capital without which they would all have been crippled

A necessary part of this task is that played by stock markets themselves. They may not be used to sell Victory bonds, but they are an important help in assisting the individuals who do buy these Victory bonds to shift their other holdings as circumstances demand.

One of the surest ways to kill confidence in anything is to indicate that the holder is prevented from disposing of it whenever need arises. This has not been the case for stocks and bonds. Inactive markets may have hindered selling and buying at prices which individuals thought satisfactory but the mechanism was there and was operating unhindered by artificial restrictions.

Stock exchanges have carried on during this war remarkably free from restrictions. A ban on short selling, imposed at the outset of the war, did not last long. No attempt was ever made to impose minimum prices for stocks although the exchanges were ready if an emergency of sufficient gravity had arisen. It has not been the stock exchanges themselves that have placed the greatest restrictive moves on free buying and selling of stocks but the Foreign Exchange Control Board. With the exception of a few special cases, that Board barred Canadians from dealing in United States securities.

With Canada getting started on a new drive to raise half a billion dollars for war, we can be glad that our hard-pressed stock exchange members and security dealers have been able to keep together organizations which can, and do, handle such tasks with a minimum of fuss and maximum of success.

We Can Take It

Canadians enter the new year with many dire predictions on the restrictions of consumer goods. For the duration of the war, we are told, there are going to be many things we will have to do without. Already the output of radios, automobiles and household appliances has been substantially reduced, and further cuts are believed certain. Many lines of luxury and semi-luxury goods were completely sold out a few days before Christmas, and there is little likelihood of replacement so long as the war lasts.

But what of it?

A little temporary cutting down in our standards of living is a small price to be rid of Hitler and his imitators in Tokyo and Rome. If this is the way we have to fight, literally living off our fat, then we have a lot more leeway than our enemies.

Already the Japanese are down almost to the lowest standard of living in the world. Take away a few more raw fish and they will starve. The Italians are not much better off, and the Germans only a shade ahead of them.

We Canadians, on the other hand, are at the top of the heap, vieing with the Americans for the most luxurious standard of living in the world. Almost every family has its automobile, telephone and radio. Most of us also possess a generous share of household appliances; most of us still have a spare suit or two; fuel in the cellar; some money in the bank. And as for food, there is far more danger of overeating in Canada than starvation, and enemy submarines, no matter how they try cannot alter that situation.

Giving up our prerogative to buy new cars, new washing machines, or radios, as freely as we wish may prove to be a bit of a nuisance, but it can never constitute a hardship. A little plainer living, indeed, may be a good thing for most of us, making us realize that this is actually a war for survival, and that the price of complete victory cannot possibly be too high.

For Greater Efficiency

Now that both sides of the Banfield plant closing case have been thoroughly aired, it is clear that Hon. C. D. Howe acted wisely in transferring operations on armor-piercing shells from the Toronto plant to St. Catharines Steel Products. The latter unit is better equipped, has excellent research facilities and the shift will bring more operations under one roof.

Shutdown of the Banfield plant stands as one of the first efficiency casualties of the war. It is the more to be regretted since it is a self-inflicted casualty, not brought about by any alien activity or sabotage.

The incident however serves as a warning that in the present critical phase of the war no inefficiency can be tolerated, regardless of the feelings or reputations of individuals. Inevitably, 1942 must be a year of pushing output to the maximum and largely from facilities that now exist. There will have to be industrial purges and shifts, just as there have been and will continue to be shifts in the cabinets and the military commands of the allies.

Rail Problem Postponed Only

Timely warning that Canada's railway problem is merely postponed and not solved by the war is voiced by Sir Edward Beatty in his annual review. To those Canadians who see only the booming traffic conditions of today Sir Edward stresses these two points:

> "This war-time condition of abnormal traffic returns will not last. Even were an after-war depression miraculously to be averted, a return to normal business conditions again would bring the railways face to face with the deadening load of taxation and competition. It may be that, as time goes on, road-carried competition, using highways at unduly low rates of taxation, will continue to increase, and we already are threatened with important extensions to water-borne competition—using waterways constructed and maintained out of the public purse and at no cost to the users. The possibility of appreciable reduction in taxation of the railways may safely be left to the imagination of the intelligent reader.
>
> "Certainly, one of the facts which already has been accentuated as a highlight in the war is that the country's railways should always be maintained at a high point of efficiency if national crises are adequately to be dealt with. No other agency can then take their place to carry on their work uninterruptedly all through the year. If in more normal times they are starved and neglected so that their earnings are not adequate to provide high standards of service, it is the country's business which will suffer, while in times of emergency, their contribution to the national cause can be only partial and generally unsatisfactory."

Present day railway prosperity and capacity traffic is being purchased at the cost of the most expensive war in history. Just as soon as that war ceases and the Canadian troops are brought home we will again be face to face with a problem that must be solved. It would seem to be only simple wisdom to give that problem some thought now rather than waiting until it is forced upon us.

Turn Eyesores Into Guns

Canada has been carrying on what must still be classed as a somewhat spasmodic campaign to collect all available scrap metal. We need this raw material for steel, to keep our war industries going. Iron and steel scrap is a necessity in steel making and especially so in the production of alloy steels, so widely used in war's complicated machines, and the machine tools used in producing other war equipment.

One point largely overlooked so far is the wonderful opportunity now afforded for ridding ourselves of such eyesores as ancient iron fences and railings and rusting trophies from the first Great War. All too often these merely disfigure the grounds in front of our public buildings.

How many tons of scrap iron could be obtained from such salvage, we do not know. Probably it would be enough to build a warship or two and we are in desperate need of warships.

Such opportunities for salvage can be found in practically every city and town of Canada. Some citizens may attach sentimental value to the items mentioned, but in view of our present situation, we can well afford to discard such feelings.

Last week The Financial Post published a story indicating that Canada will have to import from the United States next year as much steel as our mills turned out in the whole of 1940. The United States is itself engaged in a life and death struggle and has had to restrict its own citizens in the ordinary use of metal, including iron and steel.

Should we expect the United States to insist that its own citizens surrender things which Canada, at war now for more than two years, is only lately asking Canadians to give up? It hardly seems logical while Canada still has reserves that can be converted into armament as readily as can the several thousands of tons of iron fences hiding our public buildings.

Saturday Night Announcements

A strong case is presented by the Winnipeg Tribune against the growing government habit of making important announcements of policy, via the Saturday night radio. Our contemporary points out that this was the time chosen by Ottawa for informing the nation of such drastic changes as the ceiling of prices, the application of the general cost of living bonus, and other sweeping policies. The result has been a week end of rumors for, as the Tribune points out,

> "The radio is a wonderful instrument for appealing to people—through the ear. It is a very weak instrument for giving exact information for the record. After any important radio speech you will hear little groups of Canadians arguing as to what the Great Man really said. And to settle the argument they have to send for the newspaper and examine the statements set down in black and white.
>
> "That Saturday night habit merely gives rumor and misrepresentation a 36-hour start. The situation is somewhat different in Great Britain and the United States where Sunday papers are published. But in Canada it should be an elementary rule of government publicity never to bring out important declarations of government policy on a Saturday night, where they can just as easily be made during the week.

About the only advantage of withholding important announcements until Saturday night, of course, is that where buying habits or prices are to be affected, there is some chance of adjustment and none for hoarding, before the business week opens. But this advantage is more theoretical than real. Moreover since the war at least most of the changes announced have been so revolutionary in character that much more than a mere Sunday is needed for adjustment, whereas that period is amply sufficient for the starting of hard-to-catch rumors.

Editorials in Brief

We imagine there are a couple of fishing islands far down to the St. Lawrence that could be bought cheaply provided the owners can be located and a clear title given.

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Few citizens of the Irish Free State, including Premier de Valera himself, are hopeful that that Dominion will be able to keep out of this world war much longer, yet Dublin papers report that voluntary recruiting is lagging. Everywhere the signs are abundantly clear that this is not a struggle of individuals but of whole nations. Selective compulsory service in this war is inevitable for Eire as well as Canada.

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> The Financial Post was very critical in its last issue because automobile license plates are made of steel and that Ontario requires about 350 tons of steel for these things. It neglected, however, to say that not only the 1941 plates, but those of past years are being gathered up and put into war uses.—Renfrew (Ont.) Mercury.

This is quite true as several other papers have also mentioned, but the salvage will not be worth more than a fraction of the original steel used. By making the same plates do year after year Canada could save for the war effort 750 tons of new steel and the labor of making the plates. This is the important point.

Other People's Views . . . .

The Canadian Editorial of the Week

Brutal Restrictions Needed

Winnipeg Free Press

The recent orders restricting the manufacture of many lines of goods for civilian purposes are just a taste of what we are going to have in Canada and the only criticism of them that can be made is that they are overdue and should be even more drastic than they are.

The needs of war always outstrip the estimates of those needs. That can be considered a principle of modern war. It has been seen again and again since September, 1939, and it will be seen again and again until the war is over. Hence it is difficult to understand why the experts at Ottawa now issue orders which permit the use of brass and bronze in various articles until March 1, 1942, and allow the manufacture of children's tricycles, roller skates and ice skates and many other metal articles until March 31.

These restrictions do mean that we are now rapidly nearing the point at which the impact of total war will affect our daily lives in half a hundred different ways. But there is no good reason why the government or its experts should continue to try and temper its shock upon the people by any policy of gradualness.

The only thing the public is interested in is the efficiency of the war effort, and it is hard to believe that efficiency is increased by any pretence that "business as usual" has a place in our war economy. It has not, and the government can go as far as it likes and as roughly as it likes in putting into force the restrictions needed to preserve vital materials for war use.

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As Others See Us

Non-partisan Government

Toronto Telegram

The Financial Post now believes that "only through a representative, non-partisan government, can the nation achieve that unity, that spirit of fight, work and sacrifice that is vital to the winning of the life and death struggle in which we are engaged." Obviously, to meet the obligations which confront the State, it is necessary to establish for the duration a control that approaches autocracy over all the activities of the nation. This the King Government has in many ways attempted, but a party autocracy is as unthinkable as it is likely to be ineffective.

We were warned by the King Government in the last elections to beware of swapping horses while crossing the stream. It is unfortunate that we should have to realize at this late date how much further ahead we might have been had we traded the party hack for an honest, vigorous and single-minded patriotic purpose. The unanimous resolution of the Manitoba Legislature in favor of conscription and The Financial Post's announcement of its change of view are more convincing than many straw votes that there is strong dissatisfaction with the lack of efficiency in our war effort.

St. Catharines Standard

The Financial Post announces this week a change in its editorial policy. It is out for the formation of a national non-partisan government, and the reason it gives is the "evident disinclination of the government leaders to eschew party considerations" in this crisis of the country.

The remedy does lie in having a national non-partisan government, let the chips fall where they may. But how is it to be brought about when the Prime Minister commands a slavish majority in Parliament, most of whom put their party before country.

Are there no longer men of the type of Sifton, Pardee, Carvell, Rowell, and scores more, like there were in 1917, within the ranks of Liberalism? And those men broke with the greatest and most beloved Liberal leader of all time, Sir Wilfrid Laurier.

Why should any Liberal today hesitate to do his duty for his country even at the risk of excommunication from his party by the present leader, who cracks the whip down hard. Is there no independence in Parliament at all?

• • •

Lost — 100 Bombers

Sault Ste. Marie Star

In Ontario alone this year there will be lost, in terms of working days, the equivalent of 100 heavy bombers. Not by sabotage, strikes or production tie-ups will come this loss, says The Financial Post, but through a medium which has as its chief weapon plain thoughtlessness and lack of foresight—industrial accidents.

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Industrial Casualties

Saskatoon Star

The Financial Post has figured that the working days and hours lost by reason of accidents this year will be the equivalent of the work required to manufacture 100 great bombers. That is a severe loss to the war effort and should be avoided if possible.

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Japs Shop Early

Vancouver Sun

Mr. Koto Matsudaira, first secretary of the Japanese Embassy at Washington, is a forward-looking, thrifty little man. On Nov. 25 last he wrote to Herbert S. Mills of Hamilton, Ont., a dealer in English chinaware. Mr. Matsudaira wanted some of the best of Mr. Mills's china plates, and he said: "I should like to have them before Dec. 7 at the latest." The letter from Mr. Matsudaira has been photographed and printed in The Financial Post and The Vancouver Sun.

On Dec. 7 at the latest. Dec. 7 was a Sunday, a most unlikely day for deliveries. But Mr. Matsudaira knew he must have the chinaware by that date at latest. Something was going to happen on Dec. 7, and Mr. Matsudaira knew it. Something happened. The Japanese **bombed Pearl Harbor while Mr. Matsudaira** and his chiefs were busy assuring Cordell Hull that they only wanted peace on the Pacific.

Under the rules of diplomacy, Mr. Matsudaira will take his nice English chinaware back to Japan with him. He did his Christmas shopping in time. The Japanese always look ahead that way.

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The Mail-box

National Government

Editor, The Financial Post:

I have read with interest your latest issue of the 20th, and am entirely in accord with your views that what this country now needs is a National Government, and when I say National I mean National Government in every sense of the word.

May you long continue to carry on the first-class service you are giving through this paper.

J. D. Millar.

Saskatoon.

• • •

Suggests MacMillan

Editor, The Financial Post:

Commending your first two editorials in your issue of December 20th, "Need Co-ordinator For All War Work" and "Still Wasting Vital Man Power."

Let's save precious time and nominate the man for Co-ordinator. Until a man of adequate calibre is found, it is only an idea. H. R. MacMillan, of Vancouver, has proven his capacity to get results regardless of obstacles in the shortest time and his Canadian patriotism is inspiring. He has won respect at Washington also.

It would seem our government at Ottawa is unaware of the tremendous feeling for selective compulsory service throughout the country. Now a new factor emphasizing the necessity, American participation, is making us the recipient of their reproaches for failure to put forth the requisite total effort.

N. S. Stoltze.

Lethbridge.

Sayings of the Week

"The surprising thing to me is that prices have not gone up more than they have."—*Leon Henderson, U. S. Price Administrator.*

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"What we must suffer and endure in the days to come are much more than we have suffered so far." — *Lord Beaverbrook.*

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"We had an enjoyable lunch."—*Maxim M. Litvinoff, Soviet Ambassador to the United States, after dining with Messrs. Roosevelt, Churchill and Hopkins this week.*

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"Much can be done through determined action to make our fondest wishes come true." — *Ralph P. Bell, Director General of Aircraft Production, Department of Munitions and Supply.*

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"If we had stuck together after the last war, if we took common measures for our safety, this renewal of the course of 'war' need never have fallen upon us."—*Prime Minister Winston Churchill at Washington.*

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"For the new year before us many things may be prophesied, but only one thing is sure. The armed forces of the free nations will be put on a total war footing; and behind them the armourers, the victuallers and the carriers will be marshalled in line of duty. In our struggle against the fiends who would enslave the world, we will have to make the hard choice: fight or work. There is no other way to save our freedom."—*W. T. Burford, Secretary Treasurer, Canadian Federation of Labor.*

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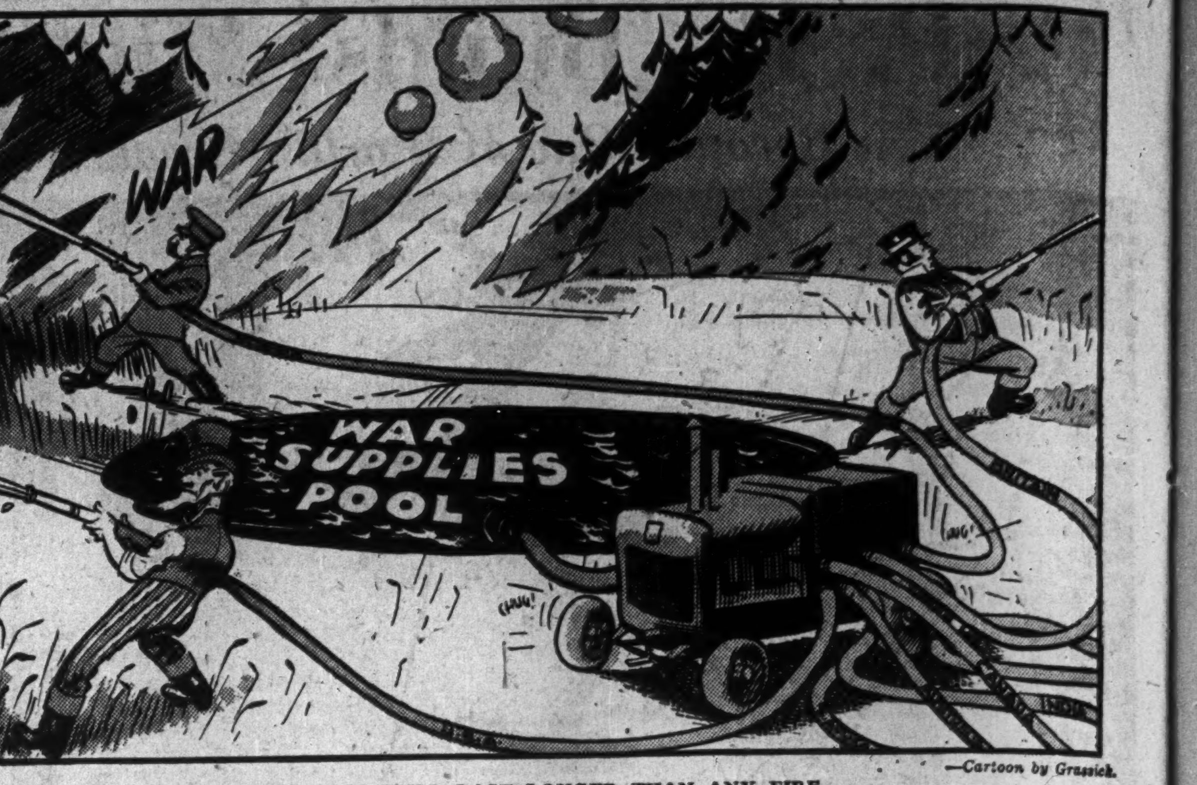
Stop Me If . . . .

Germany has a conundrum which goes like this: "Hitler, Goering and Goebbels were in an airplane. It crashed.

Who was saved?"

The answer is "The German people."



THIS POOL WILL LAST LONGER THAN ANY FIRE.

—Cartoon by Grassick.

Post-Scripts . . . .

Canada's Defense Trio

Canada contributes three men of unusual experience in common to the Allied war meeting in Washington. These are Messrs. Ralston, Power and Macdonald. The first has charge of our military efforts in general, the other two are directly responsible for Air and Navy respectively.

All are veterans of the first war, all were seriously wounded in that war, all are lawyers.

They know war from the practical standpoint, know its hardships and its dangers and being lawyers and politicians too, they must know something of the difficulties to be faced in drawing up any plans to embrace a unified command.

These are no armchair soldiers representing Canada at Washington, but men who from practical experience must know the calibre of the enemy we are confronting, and how vital it is that we face him with the united front.

• • •

Senior Minister of Defense, Hon. James Layton Ralston, hails from Amherst, N.S. He is 61. After finishing at Amherst Academy he entered Dalhousie Law School at Halifax and in due course became a member of the Nova Scotia bar.

MR. RALSTON

He started a legal practice in his home town but a few years later became interested in politics although his first campaign resulted in failure. In 1911, however, he was elected to represent Cumberland County in the Provincial House. Like so many others of his generation the war interfered and from early in 1916 to 1919 he was overseas with the famous 85th Nova Scotia Battalion.

Ralston's service in France resulted in four wounds, a D.S.O. and bar, a C.M.G. and several times mention in dispatches. Close observers say that he was entitled to a Victoria Cross for rescuing a younger officer under fire but the higher command frowned on the idea of senior officers running "unnecessary risks." He rose from Captain to Colonel.

Returning from overseas Colonel Ralston once more took up his legal practice and combined this with nine years in the Provincial House as a Liberal. In 1926 he entered the Dominion House and was promptly made Minister of National Defense. Ill health forced him to give up political life in 1935 and from then until the outbreak of the present war he devoted himself largely to his legal practice and his growing association with financial and business institutions. Sacrificing all this, however, in 1939 he came back to Ottawa, was promptly sworn in as head of the Department of Finance, later taking over Defense on the death of Hon. Norman Rogers a little over a year ago.

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Major the Hon. Charles Gavan Power, comes from Quebec, where, like his father before him, he holds the seat for Quebec South. A swarthy man with a black moustache, speaking both French and English fluently, he looks more French than do many French Canadians themselves and he is often taken for a representative of that nationality. However, Major Power is Irish, his people coming from the South of Ireland away back at the beginning of the last century.

MR. POWER

For a long time, since his continuous representation of Quebec South started in 1917, "Chubby" Power was regarded with a certain amount of nervousness by both sides of the House. In recent years and particularly since assuming the portfolio of Air Defense after the outbreak of war, however, Mr. Power is said to have settled down.

His military life in the last war was unusual. So anxious was he to get overseas that he took service as a batman with an officer in the Canadian Medical Corps. Perhaps he would have remained in that lowly position had not the late Sir Sam Hughes, Minister of Militia during the early part of the Great War, heard about his plight. Promptly Hughes had him located and presented with a commission.

Power emerged from the war as a Major with an M.C. and several pieces of shrapnel. He just got out of the hospital in time to come home and join the campaign of Sir Wilfrid Laurier against conscription.

Major Power is 53 years of age and since the death of Hon. Ernest Lapointe probably holds the record of the Dominion House for continuous and uninterrupted holding of his seat.

• • •

Youngest of the defense trio is Captain, the Hon. Angus Lewis Macdonald. Just 51 years ago Mr. Macdonald was born at Dunvegan, Inverness County, Nova Scotia, of the purest Highland Scots parents. It is said that he learned the Gaelic before English and much to the embarrassment and bewilderment of the late Premier Ramsay Macdonald greeted that British statesman, in the old Scottish tongue when he visited Canada some years ago.

MR. MACDONALD

Unlike his team-mate Mr. Power, Angus Macdonald did not seem to be destined for a political career but was seriously practicing law when the Liberals came back into power in Nova Scotia in August, 1933. That sweep, however, shot him to the top of the heap. He was made Premier of his native province and held that position until called into the Dominion Cabinet shortly after the war broke out.

Because he heads Canada's growing Navy perhaps Mr. Macdonald has tended to soft pedal his war record but after some research it has been unearthed by the writer as follows:

After graduating from St. Francis Xavier College at Antigonish in 1914 he enlisted almost immediately in the Nova Scotia Highland Brigade. After qualifying as a lieutenant he went overseas and was soon promoted to captain. Just a few days before the Armistice of November, 1918, he was seriously wounded.

• • •

So ends a brief recital of Canada's three Ministers of Defense experiences in common. But there are also some differences.

Messrs. Ralston and Macdonald are inclined to be tall and both are of quiet spoken serious manner and especially so is Mr. Macdonald. Mr. Power on the other hand inclines to be rotund, dark and vivacious, like his French Canadian neighbors.

It is said that Mr. Power drifted into politics inevitably because it was in his blood and he liked that sort of life, whereas the other two ministers regarded the call as in the nature of a draft to duty.

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Directs Toronto's Spending

The City of Toronto is business at its biggest. It has an annual turnover of $35 to $40 millions, owes over $110 millions, and pays its creditors in principal and interest about $12 millions every year. Close to a million people, in and around Toronto, are directly affected by the value per dollar that Toronto gets for its money.

G. A. LASCELLES

Up until last fall, Toronto's method of keeping tab on the way its money was being spent was a touch archaic. Council would authorize expenditures, the various departments would make purchases, and the treasury department would seldom be consulted until the deed was done.

But on Oct. 1, George Arthur Lascelles was upped from his job as executive secretary of the treasury department to the position of city treasurer and finance commissioner. He was no newcomer to Toronto's City Hall.

Before the last war, Lascelles got his first job, at the age of 18, in the treasury department he now heads. That was in 1913; two years later he left municipal management for the Royal Flying Corps, coming back with a gold wound stripe and the title of Flight Commander.

From 1919 to 1941, Lascelles stuck to his treasury department, moving up steadily until he reached the executive secretary's post in 1930. During those years he came to know every angle of the city's finances, helped co-ordinate the relief system, budgeted for various social service funds, including the $9 millions of the police and firemen's benefit funds.

Since he has taken over the city's financial reins, Commissioner Lascelles has made two fundamental changes that will help keep Toronto's taxes down.

The first is to have all capital expenditures brought before the treasury department before authorization by the council. In this way, unwise expenditures can be fought by financial experts, and wise expenditures can be timed and financed in such a way as to keep borrowing costs to the minimum. Much the same purpose is served by Lascelles' second major innovation, a centralized purchasing department. Both of these steps allow the fullest use of available cash balances, to a great extent by timing purchases to coincide with periods when funds are plentiful. Over both is one of the most rigid budgetary systems ever imposed on Toronto.

There is nothing particularly revolutionary in the financial set-up over which George Lascelles presides. He is not a municipal Mussolini, not a city manager. His job does not in any way conflict with the powers of elected aldermen or controllers. But his first budget, which will shortly be presented to Toronto taxpayers will almost certainly show a drop in the tax rate. If Lascelles is able to keep the city debt down where he wants it, next year's tax cut will not be the last, despite the rising costs of wartime operation.

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Drug Trade Meets War Worries

Versatile Industry Solves Many New Problems

By R. C. STARK

Staff Writer, The Financial Post

For their own personal consumption many in the drug trade for some months past have found the most useful article on their shelves to be headache powders.

The war has brought, and is still bringing, many new problems to this industry which relied so much upon products imported from almost every part of the globe. Under crisis conditions, however, the drug business has demonstrated a remarkable flexibility.

It has turned readily to devising satisfactory substitute materials. Today the average citizen need not furrow his brow too deeply over the prospect of many familiar products disappearing from his corner drugstore.

Ask a drug buyer what drugs and chemicals have been affected most severely by war conditions and he will come through with a list as long as his arm. Here are some of them: saccharin, phenacetin, acetone, carbon tetrachloride, products using chlorine, citric acid, larkspur seed, formaldehyde, natural and synthetic menthol, natural camphor, zinc oxide, olive oil, cotton seed, belladonna, aconite, santonine, coriander, hexamine, vanillin, tartaric acid, cream of tartar, Rochelle salts, quinine alkaloid, etc., milk poroder, cassia oil, eucalpytol, hyoscyamus, rapain, methyl salicylate, valerian.

Some of these products are scarce due to war priorities. Zinc oxide, used in face cream manufacture, is out; chlorine, used in bleach preparations, is hard to get; acetone, particularly used in nail polish, is scarce and probably will get scarcer.

New War Influence

War in the Far East further tightens the situation. From Japan came our supply of agar agar, used for laxatives. Japan also has a practical monopoly on menthol, while much of our camphor formerly came from that area.

Prices Jump

All this has naturally meant soaring prices for the drug trade. Some indication of the rise is given by the following table showing the prices of a number of drugs in demand in Canada in October, 1939, and November, 1941. The prices shown are for New York and are somewhat higher here but the rate of increase is comparable. The list is compiled by Drug Merchandising.

	Oct., 1939 lb.	Nov., 1941 lb.
Arnica flowers, gran.	$0.28	$6.86
Buchu leaves, powdered	0.40	1.30
Gentian Root, U.S.P., powder.	0.10½	1.56
Henbane leaves, powdered	0.25	5.36
Manna flakes, large	0.55	6.25
Juniper berries, whole	0.07	1.38
Agar Agar	1.45	4.42
Lycopodium, U.S.P., powder.	1.10	11.28
Chamomile flowers, Hungarian	0.60	1.58
Quince seed	0.75	2.88
Belladona leaves, powdered	0.26	5.79
Acacia gum, powdered	0.63	0.87

All this, however, has been scarcely discernible to the average buyer of medicines. Prices of proprietaries and pharmaceuticals may have advanced in some cases but, generally speaking, the advance has been surprisingly small. From a retail point of view investigations show that while prices of some drugs may have doubled or trebled on a per ounce basis, the extremely small quantities used in prescriptions do not often warrant increase in prices.

The average citizen when buying drugs will not see the effect of the war upon his purchase except perhaps in its wrapping. The use of Cellophane is restricted.

Substitutes at Hand

Menthol, used as a cooling agent, has been virtually a Jap monopoly but it is believed that satisfactory substitutes can be made from oil of peppermint, although at higher cost. Camphor can also be satisfactorily produced synthetically.

War uses have eliminated zinc oxide from the making of face creams, but here again replacement is not offering insurmountable difficulties. Acetone has a wide range of uses in war industry, a condition which has created more than one headline that nail polish, which uses acetone, is on the way out. Authorities, however, contend that there appears to be only a very small possibility of this in view of the minute quantity of acetone used for nail polish manufacture.

Most of our cod-liver oil formerly came from Norway, but with that source cut off, steps were quickly taken to establish a cod-liver oil refining industry in the maritimes. Epsom salts, which formerly came from Germany, are now being drawn from the U. S. and British Columbia. Quinine is an important drug which comes to us largely from South America and partially from the Far East. The shipping situation has been a tightening factor in the supply of this product.

Many of our essential oils for the making of perfume, etc., formerly came from the Far East or Europe. While accumulated stocks of these oils on this side are believed to be getting low it is understood that researchers in the United States are meeting the situation. Conditions of climate, soil and labor in South America are also thought to be encouraging for the development of an essential oil industry there.

Canadian digitalis needs are being taken care of from British Columbia, which is producing a considerable crop of this drug. Steps are also being taken there to promote conservation and forestation of the cascara tree, which is a native of the Pacific slopes. Improvident harvesting has threatened extinction of this plant.

Problems Still Many

All this is not to suggest that the drug industry is picking substitute materials virtually out of its hat as as new shortages arise. One of the current worries is over phenol, a prime defense material which enters into the manufacture of a wide range of explosives and resins.

Phenol plays some part in the production of about half of all the chemical drugs we use, so its total diversion to war would have a far-reaching effect on the drug industry. While the total used by the drug trade is small compared to total production, the problem lies in routing sufficient phenol to drug channels against its military competition.

Toothpaste Question

Glyeerine is used in many cosmetic lines such as face and hand creams, nail polish, etc. Its use for toilet goods has been cut to 70% of 1940 consumption which could mean a decrease in the manufacture of such products as toothpaste and shaving cream. Toothpaste contains about 15% to 30% glycerine by weight and with restrictions a trend toward greater manufacture of tooth powders may become evident. Substitution in toothpaste for glycerine is more difficult than in the creams, where satisfactory results are already being obtained with a glucose substitute.

Also uncertain is the position of citric acid. Most health salts of effervescent nature have citric acid as a base. It is used extensively for soft drinks while nearly all hard candy of the sucker type contains a percentage of citric acid. Supplies of this chemical are reported to be quite scarce.

Belladonna, used for heart disease and by opticians to expand the pupil of the eye, is scarce, particularly owing to the crop failure in the U. S. this year. Existing stocks are said to be small and large foreign shipments this year are thought unlikely.

Vitamin Scarcity

Scarcity also exists in the vitamin field. Supplies of vitamin A and D oils from Japan have been light for some time and are now, of course, entirely out, while the demand for vitamin A oils has been heavy from Great Britain where it is being used extensively to fortify oleomargerine. Situation in vitamin A is the tightest, this being produced primarily from fish liver oils. Vitamin D usually comes from cod liver oil but can be produced synthetically.

The interesting trend toward fortifying foods with vitamins has had a particularly direct influence on the B complex vitamins. Nicotinamid, which is being used to take the place of nicotinic acid, is hard to get, while the same holds true of Riboflavin, another B complex component.

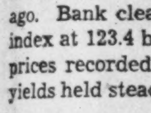
There is a strong demand for these products from the milling companies to fortify flour and bread. New productive capacity is coming into this field, however, indicating an easing in the vitamin situation.

Sales Higher

In meeting the many tough problems created by the war's destruction of established supply lines, the drug industry is displaying a remarkable versatility. This quick adaptability to swiftly changing conditions carries with it the promise that the public will continue to be served with the efficiency of the past. Indicative of that satisfactory service is the trend of retail drugstore sales in Canada which closely parallels the rising trend of average retail sales in the Dominion. Currently Canadian drugstores are handling a volume of business about 16% ahead of a year ago.

The Week in Business

Current business as measured by the D.B.S. index of business activity showed a gain of 0.1% to 116.8 in week ended Dec. 20, and a gain of 6.6% over the same week of 1940. Car loadings fell off during the week, the index standing at 100.7 compared with 107.3 a week ago. Bank clearings showed a further substantial increase with the index at 123.4 being 8.1% higher than the previous week. Wholesale prices recorded a further moderate advance, while capitalized bond yields held steady and common stock prices showed some recession.



Automobile financing for the first eleven months is up over the same period of 1940 by 9.1% for new cars, 20.6% for used cars.

Pig iron production was up 22% in November over a year ago, first eleven months being up 14.8%. Steel ingots and castings: November production was up 25.6%, eleven months up 20.1%.

Department store sales index for November is 138.4 against 136.5 in October, 128.5 a year ago.

Railway carloadings in year to date show an increase of 13.2% over corresponding period of a year ago.

Railway gross traffic earnings for year to date compared with year ago are up 23.1% for C.N.R., 29.1% for C.P.R. First eleven months C.P.R. net revenue is up 32.5%.

Bond sales in first eleven months show an increase of 15.3% over corresponding period year ago.

WEEKLY INDICES

TREND OF BUSINESS—	Dec. 20	Dec. 13	Dec. 6	Nov. 29	Dec. 21/40
Weekly index of business, D.B.S.	116.8	116.7	115.7	116.0	109.6
Commodity prices, index no.	93.7	93.5	93.6	93.9	84.2

MONTHLY INDICES

	Nov.	Oct.	Sept.	Aug.	Year Ago
The Financial Post business index	*168.0	168.0	167.4	162.5	153.4
National Income. D.B.S.•	....	b440.9	446.4	442.9	426.7
Retail sales index no.	....	138.0	136.4	146.5	120.1
■Dept. store sales index no.	138.4	136.5	136.6	146.1	128.5
Wholesale sales index no.	....	170.6	170.8	156.6	143.4
Country store (% change pr. yr.)	....	+8.1	+11.9	+11.3	+3.6
Divd. payment index♠	119.0	118.2	118.4	118.6	122.2
COST OF LIVING—					
D.B.S. index	116.3	115.5	114.7	113.7	107.8
EMPLOYMENT INDEX Nos. D.B.S.					
All industries	....	165.8	162.7	160.6	136.2
Manufacturing	....	185.0	181.5	176.9	143.8
Payroll index (a) (1937=100)	....	189	174	173	142

			Jan. 1 to date		%
RAILWAYS—	1941	1940	1941	1940	Change
■Carloadings (week Dec. 20)	57,278	57,528	3,139,934	2,772,239	+13.2
■C.N.R. gross (week Dec. 21) $	6,591,362	5,584,110	295,394,593	239,810,998	+23.1
■C.P.R. gross (week Dec. 21) $	4,766,000	3,962,000	214,438,000	166,025,000	+29.1
C.N.R. net revenue (Nov.) $	5,719,836	5,524,224	60,347,891	38,733,861	+55.8
■C.P.R. net revenue (Nov.) $	5,201,226	5,072,617	40,866,785	30,833,231	+32.5
IRON AND STEEL—(November)—					
■Pig iron production (tons)	133,735	109,576	1,215,057	1,058,417	+14.8
■Steel ingots and castings prod. (tons)	221,367	176,113	2,193,276	1,825,752	+20.1
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* (Oct.)	3,879	4,827	76,390	85,398	—10.5
Factory output (Nov.)	7,003	10,814	87,394	98,366	—11.1
Trucks and Buses:					
Domestic sales (Oct.)	1,848	1,665	30,436	25,093	+21.3
Factory output (Nov.)	14,542	12,807	162,724	101,288	+60.7
Financing:					
■Used (Nov.) $	1,759,330	2,933,677	47,172,521	39,111,863	+20.6
■New (Nov.) $	1,107,542	2,571,930	33,419,772	30,631,576	+9.1
CONSTRUCTION—					
Contracts awarded (Nov.) $	22,889,500	54,981,900	374,881,400	329,091,500	+13.9
Cement prod. bbls. (Oct.)	1,042,685	1,099,092	7,324,025	6,627,710	+10.5
AGRICULTURE—					
Flour prod., bbls. (Oct.)	1,595,931	1,872,514	17,229,805	13,590,356	+26.8
Flour exp., bbls. (Nov.)	586,513	682,718	10,508,955	6,625,291	+58.6
Wheat exp., bush. (Nov.)	22,105,053	17,277,560	178,375,298	127,407,260	+40.0
Cattle sales▲ (Nov.)	131,057	123,596	1,123,504	1,062,519	+5.7
Hog sales▲ (Nov.)	704,140	654,218	5,627,343	4,766,632	+18.0
SEA FISHERIES—‡					
Catch cwts.▲ (Oct.)	1,056,300	1,053,300	9,486,500	9,580,700	—0.9
Landed value (Oct.) $	2,377,600	1,669,600	23,050,850	16,235,300	+42.0
NEWSPRINT—					
Production tons (Nov.)	300,308	282,344	3,125,042	3,165,906	—1.3
Exports (Nov.) $	14,205,000	13,348,000	142,794,000	136,478,000	+4.6
MINING AND OILS—					
Coal prod., tons (Oct.)	1,867,666	1,724,009	14,535,316	14,017,445	+3.7
Coal import, tons (Oct.)	2,896,383	1,594,611	17,179,698	15,243,177	+12.7
Gold rec., fine oz. (Nov.)	415,265	456,220	4,679,764	4,550,063	+2.8
Crude oil, imp. gals.† (Oct.)	154,688	178,569	1,358,652	1,239,104	+9.6
ELECTRIC POWER OUTPUT—(October)					
Total monthly, 1,000 kw.h.'s	3,140,317	2,487,455	27,040,578	24,971,047	+8.2
FOREIGN TRADE—♦					
Imports (Oct.)	$140,819,038	108,644,852	1,188,715,434	877,364,556	+35.4
Exports (Oct.)	$139,677,763	106,790,810	1,324,284,800	976,102,781	+35.6
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp., 1,000 bd. ft. (Nov.)	182,495	231,532	2,142,590	2,261,389	—5.2
Shoes, prod., pr. (Oct.)	3,141,512	2,531,659	26,975,064	21,985,976	+22.7
Cotton consump., lb. (Oct.)	18,341,242	16,662,648	165,591,120	158,881,558	+4.2
Raw rubber imp. lb. (Oct.)	9,923,038	18,056,804	137,178,658	86,140,318	+59.3
Cigarette cons., No.† (Nov.)	753,932	686,868	7,861,717	6,999,004	+12.3
Sugar manufactured .. lb.§	162,213,036	174,045,529	941,580,290	886,565,423	+6.2
FINANCE—					
Bank debits† (Nov.) $	3,426,906	3,049,322	35,556,411	31,229,127	+13.8
■Bond sales† (Nov.) $	94,861	108,484	2,264,844	1,963,606	+15.3
Life insurance sales (Nov.) $	44,984,000	32,899,000	381,743,000	331,490,000	+15.1

*D.B.S. All Canada figure covering 90% of the Canadian Total.
‡Unrevised figures covering N.S., P.E.I. N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■
†000's omitted. §For four weeks to Nov. 1. ♦Gold excluded.
•Millions of dollars. *Preliminary. ♠Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce. (b) Preliminary.

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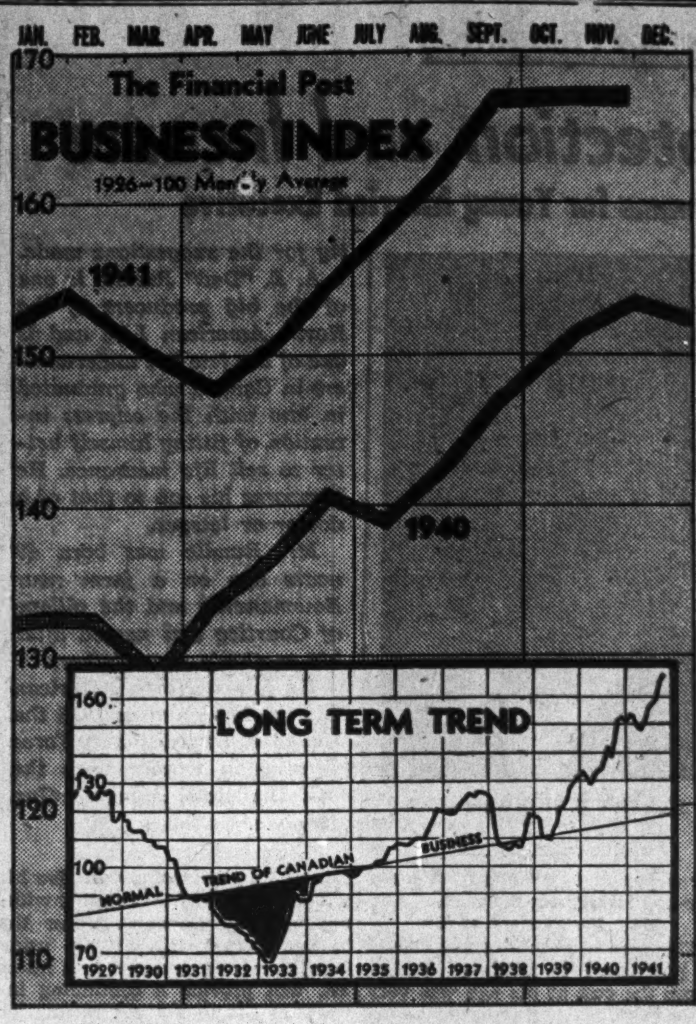

Recent months have indicated a tendency in The Financial Post business index to level off following the sharp rise of the past two years.

Building Down In November

Building permits issued in Canada amounted to $11,465,444 in November, according to the Dominion Bureau of Statistics. This compares with $13,137,056 in October and $11,132,109 in Nov., 1940.

For the first eleven months of the current year, value of building permits issued totalled $126,506,945 compared with $105,319,455 in the same period of 1940 and $53,688,802 in the first eleven months of 1939.

Classification of permits issued throughout the Dominion during November follows:

	New Constr'n. $	Additions, Alterations, Repairs $
Residential	3,973,757	463,286
Institutional	2,379,798	71,656
Commercial	913,068	606,805
Industrial	2,405,040	571,195
Other bldg.	27,458	53,381
Total	9,699,121	1,766,323
Provincial Totals		
P. E. I.	18,550	......
Nova Scotia	190,875	50,638
New Brunswick	1,307,832	56,596
Quebec	3,162,696	430,183
Ontario	3,082,116	936,419
Manitoba	267,945	88,775
Saskatchewan	42,265	15,248
Alberta	960,990	92,674
British Columbia	665,852	95,795
Canada	9,699,121	1,766,323

Auto Sales Move Down

Restrictions on the selling of new passenger cars are apparently having a very direct influence on the level of sales. A short time ago the trend of automobile sales in Canada was strongly higher over a year ago, but the imposition of more stringent terms of installment financing along with realization of greater need of metals conservation that trend has changed.

New passenger car registrations in eastern Canada dropped 60% in November from the same month a year ago, reports to Canadian Automotive Trade show.

Covering Ontario, Quebec and the Maritimes, the figure for November registration of passenger cars was 1,946 as compared with 4,981 in November, 1940. For the year to date there is a decline of 9% to 61,405 from 67,935 in the first eleven months of last year.

Comparative totals of registrations during November and in the first 11 months of the year are as follows:

New Passenger Car Registrations in Eastern Canada

	November 1941	November 1940	Year to date 1941	Year to date 1940
Dodge	549	1,054	10,588	11,015
Chevrolet	401	1,312	13,516	13,866
Plymouth	388	841	9,496	9,892
Ford	137	358	9,425	9,532
Pontiac	101	224	5,444	4,406
McL.-Buick	90	313	2,909	3,832
Chrysler	73	141	1,935	2,460
Mercury	42	75	2,533	2,343
De Soto	37	68	849	1,141
Oldsmobile	31	180	2,343	2,919
Nash	27	72	660	447
Studebaker	19	89	477	1,807
Hudson	16	143	612	2,595
Packard	16	35	328	840
Cadillac	15	44	237	250
Willys	4	32	153	590
	1,946	4,981	61,405	67,935

Ford Operates At Capacity

W. R. Campbell Reviews Important Phases of 1941 Work

During 1941 "important milestones of production" were reached in the Windsor plant of Ford Motor Co. of Canada, states W. R. Campbell, president.

This included start of production on universal carriers, now being shipped overseas in large numbers, and turning out in August of the 100,000th vehicle built for military purposes since the war started. In addition to more than 20 different types of military machines the company also supplied "tens of thousands" of conventional type trucks and passenger cars, station wagons, buses and tractors.

Manufacturing facilities were again extended last year. A major job was extension of the foundry building to provide space for a battery of new electric furnaces to make alloy steel castings. First of these furnaces is now coming into operation, states Mr. Campbell, adding that the entire installation is expected to be completed early in 1942. This extension of facilities will increase alloy steel casting capacity of the plant by 100 per cent.

Work at Capacity

Throughout 1941 production was maintained at capacity, with the exception of minor recessions at certain times "resulting from temporary inability to obtain supplies." In spite of this, he adds, "it was also possible to pursue fruitful channels in the development of new products for military use. One of these has already passed all experimental tests and production is expected to start in the very near future. Others are being designed and developed with all possible speed."

Mr. Campbell feels "it is inevitable that further restrictions on the use of essential materials for other than war purposes will be effected" and suggests that civilian users of automobiles will have to bear an important share of this curtailment.

Get Acquainted!

Today, many shrewd business men who never before considered the farm market are becoming more and more acquainted with rural Canada.

They have discovered a vast new market where stability in buying power, rising cash income and an audience of sales-minded farm folk are combining to put tremendous driving power behind any rural campaign.

That is why you should get acquainted with the farm market ... NOW ... and remember ... ONE paper — the Family Herald and Weekly Star will put you instantly in touch with more than 300,000 rural homes from coast to coast.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL - - CANADA

On the Record

Building steel to be strictly controlled. After Dec. 27, no person may supply, purchase or use new or secondhand plain or fabricated steel plates, structural shapes, or bars for the construction, remodelling or repair of any building, container-tank, boiler, bridge, tower, conveyor or other stationary structure without permission of the Steel Controller. Steel distributors also to give monthly reports of stocks.

E. R. Birchard, assistant general sales manager, General Motors Co., appointed deputy motor vehicle controller.

67 tons of turkey were purchased to provide a Christmas dinner for the Canadian soldiers in the armed services.

Galvanizing of all sizes of drainage fittings has been banned. Requirements for naval vessels and merchant ships under construction and special installations for chemical plants are excepted.

300,000 pairs of stockings purchased for the Canadian Women's Army Corps and the Canadian Women's Auxiliary Air Force. Other purchases include, 47,000 uniforms, including jacket and skirt; 6,000 extra skirts; 27,000 caps; 25,000 greatcoats; 91,500 broadcloth shirts; 77,000 black ties; 66,500 pairs of shoes; 25,000 personal kit bags; 25,000 pairs of overshoes; and 25,000 pairs of rubbers.

Commercial laundry and dry cleaning equipment will be reduced in output to 75% of that of 1940 based on sales value.

A. L. Ainsworth, vice-president and general manager of the John Inglis Co., appointed Associate Director General of the Gun Production Branch to assist gun manufacturers in the Toronto area to solve special production problems.

Quebec Creates Labor Board

From Our Own Correspondent

MONTREAL.—Quebec has set up the Superior Council of Labor, which the Government was authorized to establish during the 1940 session.

The council, which will study questions relating to workers, salaries, rationalization of work, and collective labor agreements, prevention of industrial accidents, apprenticeships, professional orientation, rehabilitation of the unemployed, insurance and social assistance, suppression of slums and accession of workers to property, is composed of eight members representing labor, eight representing capital, eight economists and sociologists and a permanent commission of six members.

A CHECK-UP OF YOUR INVESTMENTS

A requisite of a sound investment portfolio is a periodic analysis by a competent investment consultant. This service may be obtained without obligation at any of our offices.

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THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED
5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1940), $12,147,569

THE ROYAL BANK OF CANADA

General Statement, 29th November, 1941

LIABILITIES

Capital stock paid up		$ 35,000,000.00
Reserve fund	$ 20,000,000.00	
Balance of profits carried forward as per Profit and Loss Account	3,209,074.84	
	$ 23,209,074.84	
Dividends unclaimed	47,196.58	
Dividend No. 217 (at 8% per annum), payable 1st December, 1941	700,000.00	23,956,271.42
		$ 58,956,271.42
Deposits by and balances due to Dominion Government	$ 31,385,428.71	
Deposits by and balances due to Provincial Governments	11,538,097.33	
Deposits by the public not bearing interest	484,749,276.16	
Deposits by the public bearing interest, including interest accrued to date of statement	417,403,399.71	
Deposits by and balances due to other chartered banks in Canada	19,867.10	
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries	11,008,127.16	
		956,104,196.17
Notes of the bank in circulation		22,325,889.88
Bills payable		6,606.46
Acceptances and letters of credit outstanding		35,906,480.01
Liabilities to the public not included under the foregoing heads		1,820,317.72
		$1,075,119,761.66

ASSETS

Gold held in Canada	$ 99.50	
Subsidiary coin held in Canada	1,789,294.84	
Gold held elsewhere	31,132.13	
Subsidiary coin held elsewhere	1,799,412.68	
Notes of Bank of Canada	23,616,848.50	
Deposits with Bank of Canada	62,925,378.28	
Notes of other chartered banks	646,663.70	
Government and bank notes other than Canadian	23,468,217.28	
		$ 114,277,046.91
Cheques on other banks	$ 46,251,360.34	
Deposits with and balances due by other chartered banks in Canada	2,763.16	
Due by banks and banking correspondents elsewhere than in Canada	73,547,538.87	
		119,801,662.37
Dominion and Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value		209,903,172.06
Other Dominion and Provincial Government direct and guaranteed securities, not exceeding market value		161,328,787.09
Canadian municipal securities, not exceeding market value		7,484,368.95
Public securities other than Canadian, not exceeding market value		13,849,027.72
Other bonds, debentures and stocks, not exceeding market value		31,449,226.57
Call and short (not exceeding 30 days) loans in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover		7,340,019.83
Call and short (not exceeding 30 days) loans elsewhere than in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover.		16,484,997.69
		$ 681,918,309.19
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	$241,782,846.36	
Loans to Provincial Governments	1,036,891.18	
Loans to cities, towns, municipalities and school districts	15,648,081.17	
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	75,554,655.52	
Non-current loans, estimated loss provided for	1,574,684.93	
		335,597,159.16
Bank premises, at not more than cost, less amounts written off		14,228,242.27
Real estate other than bank premises		1,801,258.39
Mortgages on real estate sold by the bank		667,449.30
Liabilities of customers under acceptances and letters of credit as per contra		35,906,480.01
Shares of and loans to controlled companies		3,182,415.97
Deposit with the Minister of Finance for the security of note circulation		1,200,000.00
Other assets not included under the foregoing heads		618,447.37
		$1,075,119,761.66

M. W. WILSON,
President and Managing Director.

S. G. DOBSON,
General Manager.

AUDITORS' REPORT

To the Shareholders, The Royal Bank of Canada:

We have examined the above Statement of Liabilities and Assets as at 29th November, 1941, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have checked the cash and the securities representing the Bank's investments held at the Head Office at the close of the fiscal year, and at various dates during the year have also checked the cash and investment securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 29th November, 1941, and it is as shown by the books of the Bank.

JAS. G. ROSS, C.A.,
of P. S. Ross & Sons
W. GARTH THOMSON, C.A.,
of Peat, Marwick, Mitchell & Co.
} Auditors.

Montreal, Canada, December 22, 1941.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1940	$ 3,198,146.37	
Profits for the year ended 29th November, 1941, after providing for Dominion Government taxes amounting to $1,892,224.96 and after making appropriations to Contingency Reserves, out of which Reserves provision for all bad and doubtful debts has been made	3,535,928.47	
		$ 6,734,074.84
APPROPRIATED AS FOLLOWS:		
Dividend No. 214 at 8% per annum	$ 700,000.00	
Dividend No. 215 at 8% per annum	700,000.00	
Dividend No. 216 at 8% per annum	700,000.00	
Dividend No. 217 at 8% per annum	700,000.00	
	$ 2,800,000.00	
Contribution to the Pension Fund Society	325,000.00	
Appropriation for Bank Premises	400,000.00	
Balance of Profit and Loss carried forward	3,209,074.84	
		$ 6,734,074.84

M. W. WILSON,
President and Managing Director.

S. G. DOBSON,
General Manager.

Montreal, December 22, 1941.

Insurance

War Clause Suggested For Auto Policy

Would Absolve Insurer From Liability For Damage Due to Warlike Operations — Plan to Clarify Theft Coverage

Since September 1939, war clauses have been an accepted part of every life insurance policy issued in Canada. In recent months some have been urging that similar clauses should be inserted in other classes of policies such as fire, automobile, etc.

At the annual convention of the provincial superintendents of insurance in Toronto last September, it was decided to recommend to the various Provincial Governments the inclusion of a war clause in automobile policies.

The clause recommended that:

> "In cases other than motor vehicle liability policies, the insurer shall not be liable for loss or damage which is caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by operations of armed forces while engaged in hostilities (whether war be declared or not), or by civil commotion arising from any of the foregoing."

This it was suggested should be included in the standard automobile policy as statutory condition "3a." Meanwhile it is suggested the clause be added to the policy by an endorsement.

Shell Fire or Bombs

The idea is evidently to prevent the insurer being held liable for damages caused by warlike operations. Thus a motor vehicle owner having collision insurance could not collect if his car was damaged by shell fire or a bomb.

This change in the automobile policy is one that the superintendents are considering and companies have been asked to submit to the Committee of Underwriters any suggestions they may have on the matter.

Theft Coverage

A number of other changes in the standard automobile policy have been suggested, including one to clarify what is covered by the word theft in the contract.

The need of some change in the contract has been felt ever since an Ontario court decision, some years ago, absolved an insurer from liability for theft when an automobile was stolen by a man engaged to wash it. It was felt that this was not intended by the terms of the policy.

The decision was apparently based on what is known as "exclusion 2" of the theft coverage section in the automobile policy. This absolves the insurer from liability when the car is stolen by any person in lawful possession under a mortgage, conditional sale, lease or other contract or agreement whether written or oral.

It was felt the wording should be changed from "or other contract or agreement whether written or oral" to "or other similar written contract or agreement." It was contended that when an automobile owner handed over his car to another, under an agreement of sale or a mortgage, his interest in the car was definitely affected. But when he handed it over to another party by a verbal contract to have it washed, his ownership was in no way impaired.

It is suggested that another clause absolving the insurer from liability for loss of the car due to "voluntary parting with title or possession whether or not induced to do so by any fraudulent scheme, trick, device or false pretense" be changed by having the word possession deleted and the word ownership substituted.

It is pointed out that a man who hands over his car to another to have it washed, parts with possession of it for the time being. But he does not part with the ownership.

A third suggestion is that the wording of automobile theft coverage be changed from theft to "theft or attempt thereat."

Later consideration by the committee is expected to result in legislation being prepared to have the automobile insurance act amended to permit of these changes being made in the standard contract.

Higher Assets Shown By Bank of Toronto

Highlights of the 86th annual statement of the Bank of Toronto for the year ended Nov 30 are: Substantial increases in total deposits, current loans and total assets. Profits were slightly above those of the previous year.

The liquid position of the bank continued strong with liquid assets equal to 68.65% of all liabilities to the public, compared with 71.68% in the year previous.

Profit and loss statement shows profits of $1.3 millions, a gain of $77.006 over 1940. This was after providing for staff pension fund, Dominion taxes and all other expenses and providing for bad and doubtful debts. After providing $250,000 for depreciation on bank premises and paying the usual dividend of 10% on the capital stock, a balance of $521,556 was carried forward to profit and loss, bringing total profit and loss balance to $3.5 millions. A transfer of $1 million was made to rest account, leaving a net credit balance in the profit and loss account of $2.5 millions.

Profit and Loss Statement
Years Ended Nov. 30

	1941 $	1940 $
Profits*	1,371,556	1,294,549
W/o bank premises	250,000	250,000
	1,121,556	1,044,549
Dividends	600,000	600,000
Balance forward	521,556	444,549
Prev. P. & L. balance	2,974,243	2,529,694
	3,495,800	2,974,243
Trans. to rest	1,000,000	......
P. & L. balance	2,495,800	2,974,243

*After providing $150,000 for staff pension fund in both years and $902,944 for Dominion taxes in 1941 and $566,530 for Dominion and provincial taxes in 1940.

Total assets at $182.2 millions were $16 millions above the previous year. Included in this were commercial loans of $60 millions, a gain of $9.4 millions. Liquid assets were $6.6 millions higher. Short term investments were up $7.7 millions and long term were $10 millions lower.

Deposits not bearing interest rose $10 millions, while interest-bearing or savings deposits gained $308,128.

At the date of the report, the bank had 175 branches, three more than on the same date a year ago.

Condensed Balance Sheet
As at Nov. 30

	1941 $	1940 $
Assets		
Cash, cheques, etc.	35,510,721	26,422,359
Secur., sh. term	32,545,085	24,796,270
Other securities	43,095,386	53,187,021
Call & short loans	1,146,775	1,232,005
Total liq. assets	112,297,967	105,637,655
Ratio to liabs to public	68.65	71.68
Commer. loans	60,260,632	50,775,854
Municipal loans	3,438,170	3,799,790
Non-current loans	55,224	65,216
Circulation fund	175,559	187,406
Mortgages	8,776	13,559
Letters of credit	2,809,856	1,761,343
Bank premises	3,179,813	3,240,150
Total assets	182,226,002	165,480,977
Liabilities		
Deposits		
Government	11,017,146	5,440,342
Non-int. bearing	55,904,932	45,820,659
Int. bearing	89,790,337	89,482,208
Total	156,712,415	140,743,210
To bank corresp.	1,076,421	1,424,398
Note circulation	2,980,969	3,427,259
Letters of credit	2,809,856	1,761,343
Total liabs to pub.	163,579,663	147,356,211
Dividends unpaid.	150,538	150,522
Capital	6,000,000	6,000,000
Rest	10,000,000	9,000,000
Undivided profits.	2,495,800	2,974,243
Total liabs.	182,226,002	165,480,977

THE LONDON & LANCASHIRE INSURANCE Co. LTD.
ABSOLUTE SECURITY
W. R. HOUGHTON
Manager

United States Fidelity & Guaranty Company
TORONTO

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter 1727)
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8 West Smithfield, E.C.1
49 Charing Cross, S.W.1
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64 New Bond Street, W.1
Complete Banking Facilities
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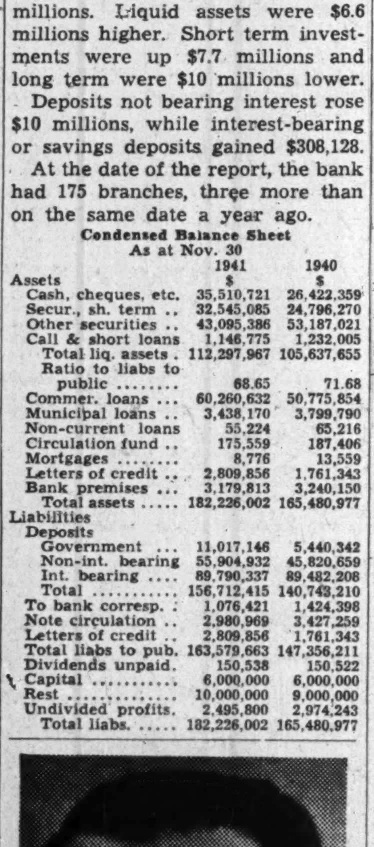
Williams Deacon's Bank Ltd.
Glyn Mills & Co.



DEPARTMENT HEAD

D. G. McPherson, for five years manager of the Hamilton office of The Northwestern Mutual Fire Insurance Association, becomes manager of the newly organized Hamilton departmental office of the company. The department branch will have under it offices in Toronto, Montreal, Ottawa and Moncton.

Life Insurance Contest — Second Prize Article

Buying Protection and Income

Winning Programme for Young Married Executive

Prize winning entry on Problem Two of The Financial Post's insurance contest, the article submitted by A. E. Rundle is published herewith.

The individual outlined in Problem Two, for whom suggestions were asked in the contest was the: "Junior executive, total income $3,000 to $5,000 a year, 30 to 35 years of age. Has saved and invested $2,000 to $5,000. Married, has two children both under 10. No inheritance prospects."

While the prize-winning and other articles published in this series are those the judges considered best submitted in each group, neither The Financial Post nor the judges accept any responsibility for the suggestions made.

ALBERT E. RUNDLE, C.L.U.

A. E. "Dad" Rundle is one of the big producers of the North American Life and is one of the few life underwriters in Canada who graduated in law with the express intention of fitting himself better to sell life insurance. He compares his job to that of a doctor or lawyer.

Mr. Rundle was born 49 years ago on a farm near Bowmanville and the village of Courtice was named after his mother's grandfather.

He joined North American Life in 1910, and in 1915 the Canadian Expeditionary Force serving in France with the 4th Divisional Machine Gun Brigade.

By ALBERT E. RUNDLE, C.L.U.
Toronto Branch
North American Life Assurance Co.

A sound approach to the use of life insurance in the plans of any individual, is of necessity based upon fairly complete knowledge of his financial, occupational and family status, also his particular ambitions and philosophy of life.

To illustrate the latter, a plan might properly be recommended for one man, involving a considerable investment in the later education of his two children. Another man in apparently similar circumstances, may consider education beyond high school unnecessary and even unwise for his children, unless they are willing to pay for it themselves. To him, adequate provision for his own old age is the all-important factor.

The viewpoint of each may be based upon his own experience and observation, and will materially affect the plan and amount of life insurance which he should own. It is therefore necessary to sketch into the picture of this young executive some details in addition to those furnished us.

The Individual Outlined

To make him a fairly representative, keen young executive, let us keep his salary well within bounds at $3,600 a year. He is 33, his wife 31; his boy is seven and his girl is four; he lives in a $7,500 home purchased three years ago after the birth of his second child, and in which to date he has an equity of $2,500. His other assets, apart from his furniture, car, personal effects and equities in his life insurance policies, consist of a bank account which never exceeds $150, war savings certificates of $60 ($5 monthly is deducted from his salary for these), and $200 of the recent Victory Loan, for which he has just finished paying. His 1941 income tax, payable in 1942, will be $210 and his national defense tax $98. His mortgage payments are $39.42 monthly on a 20-year amortization plan. The upkeep of his house is at least $80, the taxes are $140, and his car costs him $400 a year. It is idle to suggest that this last sizeable item be eliminated. He says he seldom drives to business, but a car is almost "standard equipment" for a man in his position. His fuel bill is around $110 yearly. Totalling up these more apparent items of outlay, we get over $1,500. An additional $1,600 at least is needed for other essentials, including food, clothing, help, medical and dental attention, hydro, telephone, vacation, accident insurance, church and lodge dues, and charities. Sizing the case up in a general way, if our figures are reasonably sound, there would seem to be only $500 a year left for life insurance, war savings certificates and other savings.

Has Some Life Insurance

He could not be the up-and-coming young man he is without having acquired life insurance already. Around age 20, shortly after starting in business, he purchased his first $1,000—20-pay life policy, with an annual deposit of some $21. This plan was recommended as combining a splendid savings with the building of an estate during his earlier years. If it happens that he was in university at that age, it is probable that his parents have started him on such a policy. At age 25, in view of his approaching marriage, he added a policy for $5,200 on the "endowment at age 65" plan, the proceeds in event of his death payable in monthly installments of $50 each for a definite period of 10 years. The intention was to give his wife a fund of $1,000 for immediate expenses and current bills, and a minimum of $50 monthly for a period long enough to make her own readjustment plans.

Why Endowment at 65?

This plan of insurance was chosen in preference to ordinary life because the cost at his age was very little more, and the retirement fund feature was decidedly attractive. The yearly deposit on this contract is approximately $97. Four years ago he added $2,600 ordinary life to bring his wife's income for 10 years up to $7[illegible] monthly. The annual deposit of $44 was all he could afford just then, as he was putting away money to buy a home. (Rates quoted here are on the without-profits basis for purposes of uniformity. If participating rates are used, using dividends to reduce the annual deposits, it will be found that over a period of years the net result will not be materially different.)

Group Policy

Some years ago his employer arranged a group insurance plan, by which for a monthly contribution of 90 cents, he is covered for $1,500 during his employment. Since their marriage, he has maintained a 20-payment life policy of $1,000 which his wife purchased at 21, with an annual deposit of about $23. Any intelligent married man will maintain at least $1,000 protection on the real head of the home. At any moment he may find himself alone with a young family, hospital and funeral bills to pay, and a housekeeper to find. Paid supervision in his home, even if he can get it, will not be of the type provided by the wife and mother, and the household bills will soar. He cannot always prevent such a calamity, with its attendant grief, but he can provide against the heavy financial consequences.

Minimum Needs

The minimum life insurance needs of this man would appear to be:

(1) An immediate cash fund of $1,500 for last illness and funeral expenses, current bills and taxes. Any balance over will provide some slight shock absorber during the first few months of readjustment after his death. His group insurance is ideal for this purpose.

(2) An additional $1,000 payable immediately to assist in keeping up the home. One cannot be sure in advance whether or not the wife would wish or would be able to remain in their present home, desirable as that may seem, even if the mortgage were cleared. If she can augment her income by taking in a paying guest, or by having her parents live with her, she may carry on and continue to make the regular payments. In this event, this $1,000 might be paid off the mortgage, to reduce the monthly payments. The mortgagee would gladly accept this payment in the circumstances, to improve his security now that the former breadwinner is gone. On the other hand, if it is found necessary to sell the home and take smaller quarters, that may require several months, during which expenses will be out of line with present income. His 20-pay policy is used here.

(3) This young wife would require a minimum of $100 monthly during the time her two children are dependent on her. This is a considerable step down from the income previously enjoyed, but if even this amount can be guaranteed each month, adjustments could be made within its limits. This income should continue for a period 15 years at least, which would bring the son to 22 and the daughter to 19 years, even should the breadwinner die soon. Should his wife's death occur during that period, the income goes to a trustee for the children. The insurance required for this is set out in the next paragraph.

Life Income

(4) At the end of the 15-year period, a minimum income of $50 monthly for the wife, continuing during her entire lifetime. Whatever the attitude of her children, and whatever arrangement she has been able to make for herself, she must have a small independent income. Nothing is more pitiful than an older person who has "lived too long." She would be at least 46 years old at this time, even if her husband's death occurred immediately, and for average purposes in figuring this continuing life income, one may perhaps place her age at 50. On this basis, $10,000 will give her from $45 to $50 monthly, the amount of this income increasing each year its commencement is deferred. It is therefore suggested that he arrange to leave $10,000 of life insurance proceeds on deposit with the insurance company for 15 years after his death, which, at an interest rate of 3% per annum, will give his wife an income of $25 monthly without touching principal. After the 15-year period, this $10,000, using installments of principal and interest, will provide a continuing income of $45 to $50 per month for her entire lifetime from then forward, and for 10 years in any event, should she not live that long. For her remaining income of $75 monthly during the first 15 years (see No. 3) we need about $10,900 to be paid in monthly installments including principal and interest. His total insurance requirements for this income are therefore about $20,900 and since he has $7,800 available, he requires, say, $13,000 additional insurance.

On the ordinary life plan, at his present age of 33, this means an annual deposit of some $250. This plan of insurance is the only permanent one which will produce the desired amount within the limits of his purse. His total life insurance, apart from the group and his wife's policy, is $21,800, his total annual deposits for all purposes—$446.

What His Insurance Does

To sum up, in addition to the $1,000 insurance on his wife, this is what his life insurance will do:

(A) For his wife and family:

(1) $1,500 immediately for cleanup and readjustment purposes.

(2) $1,000 immediately, to be used as required to stabilize the home situation.

(3) An income of $100 monthly for 15 years until the two children are self-supporting.

(4) A continuing permanent income of approximately $50 monthly for the wife, payable for her entire lifetime, with a 10-year guarantee in any event.

The proceeds of the war savings certificates are being set aside toward finishing education for the children, and it is hoped later to add to this by further life insurance.

No Succession Duty

There would be no succession duty, either provincial or Dominion. As regards provincial duty, while the total figure is over the $25,000 minimum, there is a special exemption granted to non-commutable incomes, such as that provided for the wife, which would bring the total well below the line. As regards the Dominion succession duty, the exemption of $30,000 available to a widow with two minor children would be sufficient.

(B) For their later years:

At age 65 his policies will be worth in cash $14,500, or in the alternative will pay him a monthly pension of about $100 for his entire lifetime, guaranteed for 10 years should he not live. The monthly pension would be $80 to $85 per month, if made payable during the lifetime of himself and his wife, and of the survivor of them. At any earlier age he has the privilege of a proportionately smaller cash payment, paid-up life insurance, or monthly pension for life.

(C) For emergency:

Human nature being what it is, the best interests of this man will not be served by unduly stressing the substantial equities available at any time after the first few years, in all his regular life inurance contracts.

One major benefit in owning adequate life insurance is that one is almost compelled to save money which would otherwise be spent—and to let it stay saved where it would otherwise be withdrawn. Nevertheless it is comforting to know that in case of emergency, he may immediately obtain the funds necessary to see himself or his family through, without altering the terms of his insurance. His life insurance company has contracted to lend, at any time, now or in 30 years, at a fixed rate, and for any period.

The Company's Money

It will not be lending him his own money—it will be lending him the company's money on security of his contracts, to fulfil which contracts the company's money is being invested. Many sound investments are "frozen" at the very time when a few dollars mean everything—which is another way of saying that the conditions which make one person short of money are likely to make other people unable to let him have any. During the course of a normal lifetime, this man will probably have at least one occasion to be thankful for the emergency values in his life insurance. The less attention drawn to these values now, the more certain they will be in time of genuine need.

Weekly Bank Clearings

	Dec. 24 1941 $	Change Year Ago %	Dec. 18 1941 $
Halifax	3,485,559	+33.2	4,474,325
Saint John	1,975,204	+16.2	2,302,098
Moncton	1,154,904	+41.8	1,379,107
Sherbrooke	775,087	+39.3	996,870
Quebec	4,756,112	+26.9	6,285,491
Montreal	104,312,592	+16.9	165,822,778
Ottawa	35,368,487	+85.6	40,946,211
Kingston	707,083	+42.5	798,251
Peterborough	715,529	+6.7	867,923
Toronto	128,609,990	+32.5	168,035,908
Hamilton	7,332,383	+30.8	7,533,685
Kitchener	1,168,770	+21.0	1,496,399
London	2,523,389	—8.6	3,131,542
Chatham	948,483	+55.4	981,548
Sarnia	451,808	+1.5	592,592
Sudbury	1,144,827	+49.5	1,040,841
Brantford	961,313	+28.1	1,265,013
St. Catharines	1,236,517	....	1,469,140
Fort William	1,017,914	+41.5	1,171,936
Winnipeg	39,879,060	+19.0	60,407,095
Brandon	473,198	+71.4	481,688
Regina	4,258,693	+25.2	5,231,710
Moose Jaw	712,468	+49.6	780,709
Saskatoon	1,383,392	+33.8	1,698,963
Prince Albert	417,773	+41.8	489,908
Lethbridge	646,878	+40.1	778,875
Medicine Hat	398,736	+40.3	399,776
N. W'minster	899,589	+37.2	785,059
Vancouver	18,807,318	+22.8	20,454,934
Victoria	1,876,514	—16.6	1,902,099
Calgary	6,639,280	+24.2	7,403,828

Banking

Municipal Borrowing Shows Reduction

Increased Tax Collections and Wartime Economies Bring Decline in Monthly Municipal Loans of Chartered Banks From Previous Year

Improvement in the finances of the Canadian municipalities is indicated in their borrowings from the chartered banks.

According to the latest monthly return of banks to the Minister of Finance, total loans to municipalities were $77.8 millions. This figure, which is as at Oct. 31, is $21.5 millions lower than on the same date in 1940. Compared with Aug. 31, 1939, before war was declared, the decline is approximately $36 millions.

In each of the first 10 months of 1941, municipal borrowings have been lower than in the corresponding months of the year before. The average month-end figures for the 10 months was $84.9 millions compared with $109.2 millions in 1940.

Reasons For Reduction

Principal reasons given for the reduction in municipal borrowings are:

Rising national income, with greater industrial activity increasing total value of assessed property.

Higher earnings of individual citizens resulting in taxes being paid in full with outstanding arrears being reduced.

Sales of land held by municipalities for tax arrears.

Greater economies by municipal councils.

The salutary influence of provincial controls tending to curtail municipal capital expenditures.

Taxes are now being collected, it is stated, to the full extent of the levy. Some years ago such a condition was unknown in many centres, arrears frequently running on from year to year. Municipal councils had to borrow from the banks meanwhile to keep things running. With taxes now being paid more promptly, there is less need of this now.

Relief Charges Lower

The increased business activity has not only resulted in larger incomes for a substantial part of the population, but it has also caused a sharp reduction in the amount of money required for relief.

On top of the influence of the provincial authorities, there has been a distinct desire in many municipalities to economize because of the war. In many places there is a feeling that money and equipment should be devoted as far as possible to the war effort.

Comparative figures of municipal loans for the last two years follow:

	1941	1940	Change
	(Thousands of Dollars)		
January	82,603	103,085	—20,482
February	84,472	107,291	—22,818
March	87,087	113,316	—26,228
April	85,039	119,909	—34,870
May	87,676	109,290	—21,613
June	86,494	114,939	—28,445
July	87,742	113,276	—25,533
August	87,606	107,962	—20,355
September	83,325	104,209	—20,884
October	77,826	99,366	—21,539
November	.....	92,622	.....
December	.....	92,391	.....

Bank of Canada Assets Higher

Holdings of Sterling and U. S. Exchange Rise — Note Circulation Up

An increase of $24 millions in holdings of sterling and United States exchange is shown in the statement of the Bank of Canada for the week ended Dec. 24. Investments in both long and short-term government securities were lower and miscellaneous assets were also down. The net result was an increase of almost $11 millions in total assets.

On the liability side, there was an increase of $13 millions in note circulation.

Deposits of the chartered banks and miscellaneous deposits were down $14 millions while Dominion Government deposits were up $12 millions. This left a net drop of almost $2 millions in total deposits.

Liabilities	Dec. 24 1941 $	Dec. 17 1941 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	495,950,000	482,433,439
Rest fund	3,723,000	3,722,910
Depos.: Dominion	64,484,000	52,517,113
Banks	222,742,000	232,607,334
Other	5,409,000	9,420,777
Total deposits	292,636,000	294,545,224
All other liabs.	9,891,000	10,613,015
Total liabs.	807,200,000	796,314,588
Assets		
In sterling & U. S.	189,478,000	165,002,960
Subsid. coin	309,000	342,438
Investments:		
Dom. govt. short	385,900,000	388,849,716
Other Dom. govt.	217,104,000	221,044,002
Total invest.	603,004,000	609,893,718
Premises	1,830,000	1,824,608
All other assets	12,579,000	19,250,866
Total assets	807,200,000	796,314,588

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

F. J. FINLAY, to be assistant secretary.

W. D. STEWART, to be manager, Kingston, Ont.

J. A. KEARNS, to be joint manager, Queen & McCaul, Toronto.

T. W. MITTON, to be manager, St. Stephen, N.B.

R. B. W. WARD, to be manager, Bloor & St. Clarens, Toronto.

F. A. McCALLUM, to be manager, Mattawa, Ont.

J. H. WILES, to be accountant, North & Agricola, Halifax.

* * *

The Royal Bank of Canada announces the following staff changes:

J. V. CORRIGAN, inspector, supervisor's department, Calgary, to be inspector, supervisor's department, Regina.

G. M. BELEY, manager, Main & Sherman, Hamilton, to be manager, Terminal, Hamilton.

E. A. CAPSTICK, to be manager, Westville, N.S.

G. H. HARDY, to be manager, Grand Valley, Ont.

R. G. HUGHES, manager, Westville, N.S., to be manager, Pictou, N.S.

J. R. WEEKES, manager, Terminal, Hamilton, to be manager, Jones & Gerrard, Toronto.

H. J. B. RICHARD, accountant, St. Johns, Que., to be accountant, Edmundston, N.B.

A. M. ROY, Pictou, N.S., granted leave of absence while on military service.

* * *

The Bank of Nova Scotia announces the following staff changes:

W. M. STEEVES to be manager, Lachute, Que.

T. G. DUNN to be acting manager, Twillingate, Nfld.

F. T. FRITZ to be accountant, Coburg & Robie, Halifax.

J. S. HUMPHREYS to be accountant Stellarton, N.S.

GOOD NEWS
To Bermuda via New York is now an approved pleasure travel route for Canadians. By mutual agreement between the Canadian and Bermuda Foreign Exchange Control Boards necessary funds are now available for travelling by ship or plane.

BELMONT MANOR
BEACH & GOLF CLUB
BERMUDA
Open all the year. Superb golf on the Belmont's famous course, surf-bathing at our own private Beach Club, with its coral-pink-and-white sand beach . . . smart rendezvous for sun tanning, luncheons, dinners, teas! You'll meet people you'll like. Unrivalled cuisine, courteous service. Canadian dollar at full value.
Ask your Travel Agent, or L. G. GIRVAN, 67 Yonge St., Toronto, 'Phone WA. 7552

The WAWANESA
Mutual Insurance Company
Organized in 1896
Assets $2,894,436.70
Surplus 1,513,855.65
Dominion Gov't Deposit 1,041,353.86
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Head Office: Wawanesa, Man.
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Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

GLOBE
ENVELOPES
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ENVELOPES All types
WITH BULLDOG GUMMING

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AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies

THE PROVINCIAL BANK OF CANADA

Condensed Statement — 29th November 1941

ASSETS

Cash on hand—(Notes and cheques on other banks and notes of the Bank of Canada)	$ 5,329,186.45
Deposits with other banks	5,981,001.78
	$11,310,188.23
Dominion and Provincial Government direct and guaranteed securities maturing within two years	6,788,103.98
Other Dominion and Provincial Government direct and guaranteed securities maturing beyond two years	7,491,520.26
Canadian Municipal securities	10,585,014.33
Other bonds, debentures and stocks	1,606,466.61
Call and short loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	2,989,135.65
Deposit with the Minister of Finance	129,913.00
	$40,900,342.06
Loans and discounts in Canada, including advances to Municipalities and School Districts	16,930,736.89
Liabilities of customers under letters of credit and other assets	281,276.00
Real Estate other than Bank Premises, and Mortgages	703,860.74
Bank Premises	2,063,930.30
	$60,880,145.99

LIABILITIES

Deposits not bearing interest	$13,733,995.19
Deposits bearing interest	39,417,354.58
Notes of the Bank in circulation	2,275,760.50
Deposits and balances due to Banks in Canada and in Foreign Countries	26,739.04
Letters of credit outstanding and other Liabilities to the public	155,336.33
	$55,609,185.64
Dividends due Shareholders	60,196.93
Capital Paid Up	4,000,000.00
Reserve Fund and Surplus	1,210,763.42
	$60,880,145.99

THE GENERAL MANAGER
THE PROVINCIAL BANK OF CANADA
MONTREAL.

The above is a condensed statement of the Balance Sheet submitted to the Shareholders which has been compared with the books of the Head-Office and with the certified Branch Returns. We have obtained all the information and explanations that we have required.

In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank and the above statement discloses the true condition of the Bank, as shown by the books of the Bank.

(Signed) JACQUES LARUE, C.A.
" RODOLPHE BEDARD, C.A.

Montreal, December 20th, 1941.

PROFIT AND LOSS ACCOUNT
29th November 1941

Balance at credit of Profit and Loss Account — November 30th, 1940	$248,992.62	
Adjustment of previous years' taxes	39,663.42	$209,329.29
Profits for the year ended 29th November 1941, after making appropriations to contingency accounts, out of which accounts full provision for bad and doubtful debts has been made	440,643.90	
Provision for Dominion Government Taxes	149,209.68	291,434.22
		$500,763.42
LESS:		
Written off real estate	$ 50,000.00	
Dividends at the rate of 6% per annum	240,000.00	290,000.00
Balance at credit, 29th November 1941		$210,763.42

(Signed) J. R. CHOQUET,
Chief Accountant.

FOR THE BOARD OF DIRECTORS,
(Signed) CHS. A. ROY, *President*
" J. U. BOYER, *General Manager*

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

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Getting Our Waste Energy to Work

Canada Could Get 25% More Out of Her Present Productive Machinery — Manufacturing Costs Could be Cut 20% — That's What Industrial Engineers Say. In This Article They Tell How Greater Efficiency and Economy is Possible.

By **ARTHUR D. ELLWOOD**

Could Canada use a 25% increase in industrial output with present productive facilities?

Would Canadian manufacturers like to save 20% on their manufacturing costs?

If this can be done and at the same time provide workers an estimated 10% increase in earnings through increased output—and without having to work any harder or any longer—we are going to bring victory closer, have fewer postwar headaches and everybody is going to be happier.

This striking accomplishment can be carried out. That is the contention of management engineers and is backed up convincingly by records of what has actually been done in industries which have submitted themselves to the X-ray of the business scientist.

Squeezed between pegged prices and high costs, Canadian industry is going to need all the efficiency it can muster.

The increasing gravity of the Canadian man power problem is now familiar: How to get enough men—or women—to produce the goods and keep armed forces in the field. Canada is now talking conscription of everyone from 20 to 40 years of age, for home service in the army, in industry and on the farm. Britain proposes to conscript men and women between the ages of 18½ to 50. This illustrates the need and indicates the methods about to be adopted. But this question may be asked:

Are we making the best use of the working staff we already have; are we keeping our factories and machinery working to the best advantage?

The answer is No! Try and find the person who claims that Canada's factories, farms or the armed forces themselves do their jobs in the best way. In other words, our efficiency is low.

An Industrial Miracle

One highly experienced industrial engineering firm estimates that Canada could get 25% more output from her present factories with their present staffs without anyone working harder or longer hours. Sounds like an industrial miracle perhaps, but one, this firm—and their opinion has to be respected—maintains stoutly is quite within the realm of possibility.

Estimates of how many additional workers Canada is going to need in the coming year to man her expanding, busier factories, her farms and her armed forces range from a minimum of 450,000 to a maximum of 840,000.

By making the best possible use of the workers we already have we could add the equivalent of 860,000 workers to our total force — and do this without combing through the homes for the housewives that can be spared or reaching back into the schools for the coming year's graduates.

This 860,000 is 25% of the 3,430,000 workers now estimated to be employed, not including the armed forces.

How would the industrial engineers plan to achieve such a result?

"Work simplification." That in essence, means doing the job with the least possible expenditure of effort. Work, they define, as "the use of time, energy and materials." "Good work," as the "right" use of time, energy and materials; "poor work" their "wrong" use.

Declares the Institution of Production Engineers in Britain: "Any production engineer who is engaged on war work and is satisfied with an output that does not grow from month to month is unworthy of his job."

The Economist (London) says: "Industry itself can contribute in large measure to the increase in the yield of finished equipment per man-hour by striving unceasingly to improve production technique and organization. The main effort in securing a higher yield of finished equipment per man-hour must come from a continuous quest for higher efficiency in the utilization of existing resources."

20% More Shoes

A shoe manufacturer in Montreal, by a scientific approach to the proper scheduling of work throughout the plant, as recommended by industrial engineers, was able to increase production 20% without any increase in labor or clerical work. His inventory of work in process was cut by 50% and his overhead cost per unit by a corresponding amount.

Out of this study by an industrial engineering firm in this one plant was developed a mathematical formula whereby work can be scheduled through any shoe manufacturing plant, assuring that the right kind of parts comes together at the right time and place.

A Canadian textile firm was able to cut its costs 20% while obtaining an increase of 25% in production. There was no increase in staff but the workers employed received a general increase in earnings of about 10%.

A Canadian foundry boosted its output 20% without any more equipment or labor.

Industrial engineers—or as some scornfully regard them, efficiency experts—have constantly to contend with a public opinion enormously uninformed as to their real aims and methods, particularly with respect to labor.

Proof that these "experts on doing" are not a device of management to extract more from labor for the same or less money is that in recent months some United States labor unions—not management—have been employing the industrial engineers to improve the jobs and the profits for both labor and management.

A Wartime Objective

"Work simplification" ordinarily has a threefold objective—to produce a better article, at a lower cost, at the right time. In the case of a war industry, almost the entire emphasis would be placed on the time element. Quality and cost, though important, are secondary considerations. It is essential to maintain high standards of quality in an industry where precision is involved, and all have a direct interest in keeping costs down, so that taxes will not rise faster than necessary.

But the basic need in war is for faster production, for increasing productivity per man-hour.

Ordinarily, increasing production with the same resources would seem to mean working longer hours, working harder, working faster.

The whole purpose of work simplification, however, is to demonstrate that none of these is necessary. Work becomes easier instead of harder.

This is accomplished by focusing attention on innumerable wastes of time, energy, motions and materials involved in performing even the simplest tasks.

In a Du Pont rayon plant, there were scales for weighing coal in the powerhouse. Every time a batch of coal was weighed, a ticket was written. Then the entries on the tickets were totalled on an adding machine. A powerhouse employee figged up a totaling device on the scales itself. Time was saved by 165 hours a month—dollars saved.

In a tobacco manufacturing plant, a girl stood beside a conveyor belt carrying cartons of cigarettes. At one point they had to be turned so they would travel head-on. This girl did the turning.

The boss was planning a mechanical turner at a cost of $300. Passing the girl he noticed she was not working. The first finger on her right hand was projecting about an inch over the belt conveyor. She had discovered the strategic spot. Each carton as it struck her finger, swerved to exactly the right position.

A nail was inserted where the girl had been holding her finger. She was given another job and a raise.

Toward Easier Work

The engineer's studies show time after time that production is increased and work made easier by eliminating waste time, energy and motions.

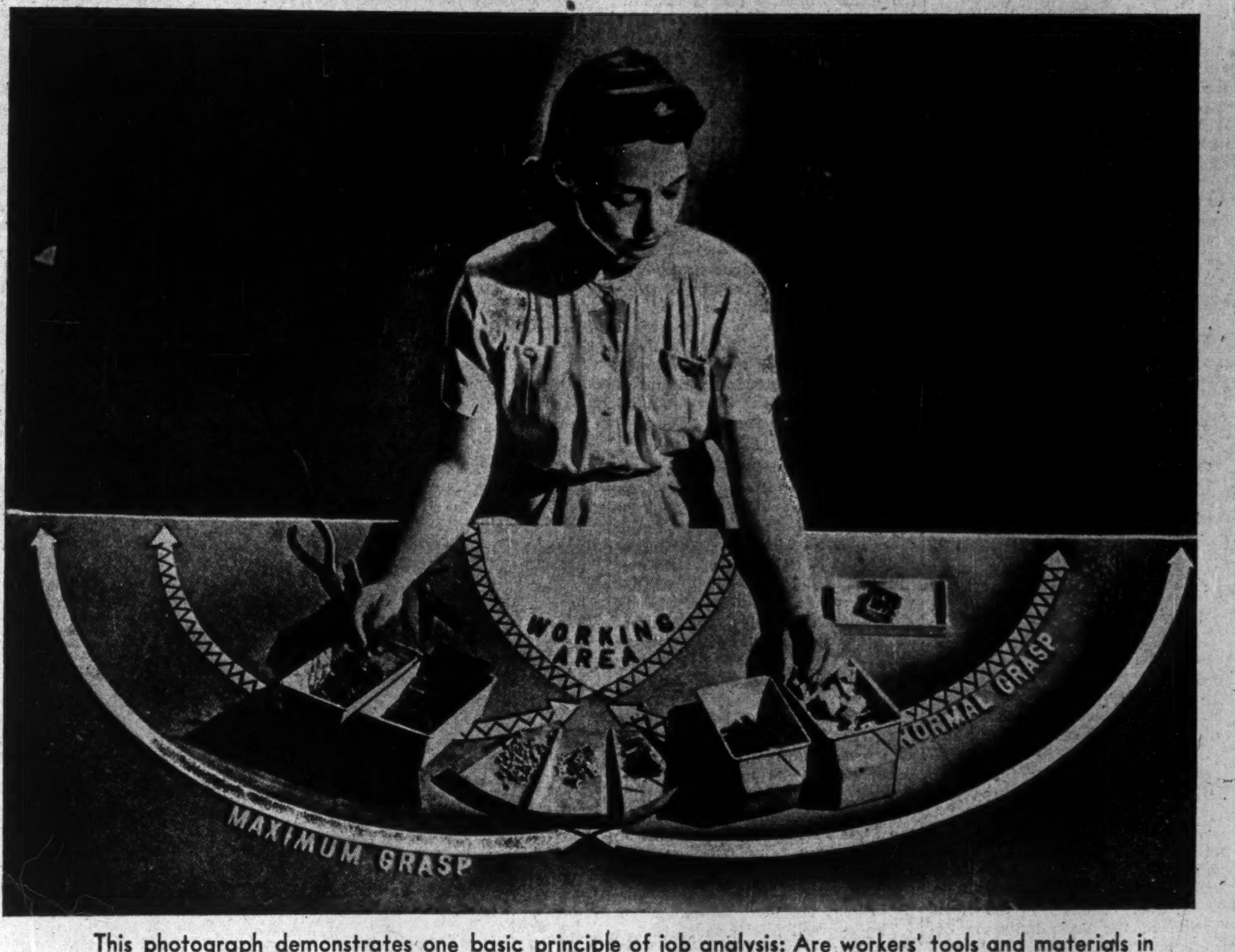
Almost every job can be done an easier, faster or cheaper way. The industrial engineer can cite hundreds of specific instances, all relating back to his basic principles.

Lowering or raising a chair may mean less fatigue for the operator, therefore, less time she takes for stretching or squirming, the more production and earnings she gets, the lower per unit cost for management.

Human beings find it easy to do two things at once—one with each hand—provided both operations are the same.

Patting the head with one hand and rubbing the stomach with the other at the same time is a parlor trick because it takes a degree of co-ordination. Patting the head and the stomach at the same time is easy.

Studies in one American plant showed that a girl clipping thread-ends off a brassiere was making 58 movements with her left hand and 88 with her right. These were reduced 34 with the left and 38 with the right. There was much better balance between the two hands; awkwardness and fatigue was diminished; and a total of 74 movements eliminated.



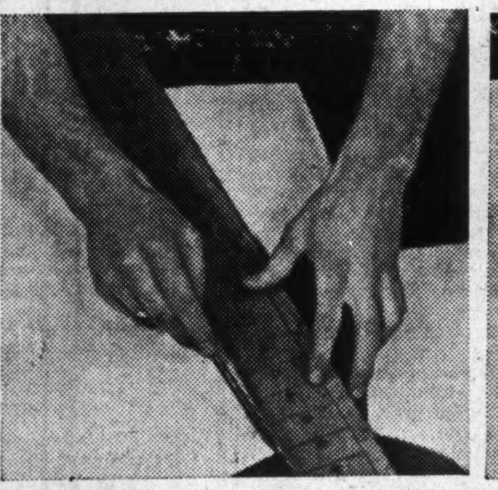
This photograph demonstrates one basic principle of job analysis: Are workers' tools and materials in the right place? Engineers divide a work bench into areas of "Maximum Grasp," "Normal Grasp" and "Working Area." The less the worker has to stretch into the "Maximum Grasp" and the more that can be done in the "Working Area" the less fatigue, hence the greater is production.

Before

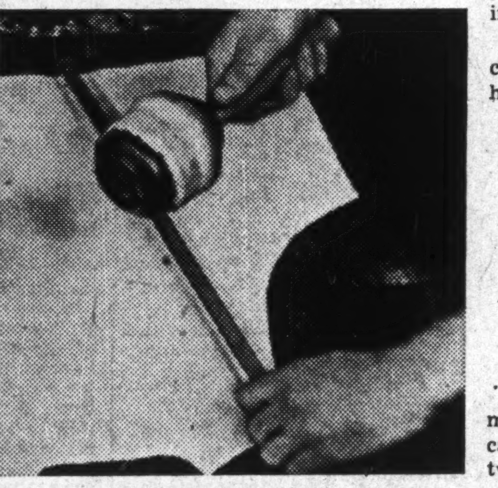
This girl formerly used ordinary shears for cutting up waste in a textile plant. Then she walked over to the wall to put it in the right bag.

After

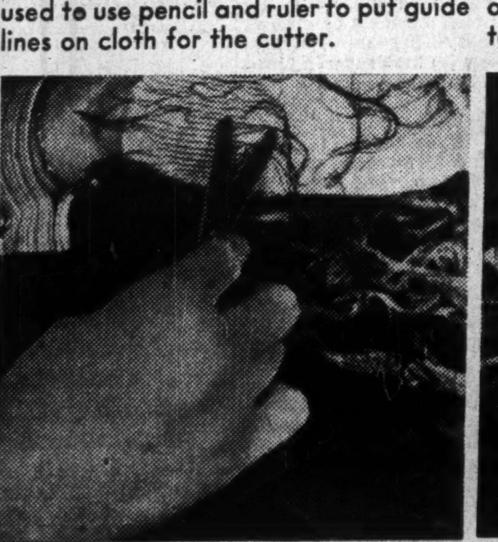
Now she has a mechanical cutter that lets her use both hands, and a bag for every kind of waste, within arm's reach. She can do three sorters' work.



Laboriously, one by one, this worker used to use pencil and ruler to put guide lines on cloth for the cutter.



Now he marks a couple of dozen at once. He puts thin nails in his "ruler," taps it down with a mallet.



This girl used to work in a jumble of threads as she straightened them out and clipped them off with ordinary shears.

Now she puts her work under a vacuum pipe, the threads all fly upward and one swift clip of the shears does the whole job in a second.

The Questioning Approach

Four questions can be asked about every job:

1. Can we eliminate?
2. Can we combine?
3. Can we change the sequence?
4. Can we simplify?

A textile firm was doing double inspection on a certain process. The "why" attitude was adopted and it turned out that some years before this department had turned out a faulty article about which the sales manager had "raised hell." He demanded another inspection and got it. Reason for this duplication was soon forgotten but it went on for years. Thousands of dollars could have been saved by replacing several times over the few faulty articles. The double inspection was eliminated.

In the same plant, a finicky dyeing process had been added at some forgotten time. Engineers studied the process and the whole step in the process has been eliminated, over $1,000 in dye costs alone are saved in one year, and there is not the slightest change in quality of the product.

Motions are defined according to their complexity and energy consumption. All hand motions can be limited to five classes:

1. Motions involving the fingers only—such as threading nut on bolt.
2. Motions involving the fingers and wrist, using a hand drill.
3. Motions involving fingers, wrist and forearm, hammering a nail.
4. Motions involving fingers, wrist, forearm and upper arm, using a handsaw.
5. Motions involving fingers, wrist, forearm, upper arm and shoulder, chopping wood.

Extra time and energy are involved as you move down the list. Simplifying jobs from category five upward to category four, three, two or one is the engineer's aim.

Saving Time and Energy

Time and energy can be saved by bringing tools and materials well within the worker's easy reach. Sounds simple, but there are tens of thousands of jobs where this has yet to be done.

Tools should be "pre-positioned." Have them ready, as close as possible and pointed the direction required. The simplest example is the everyday fountain pen desk set. Pincers, screw-drivers, etc., can often be suspended over the worker's bench on pulleys or elastic.

Neither hand should be used as a holding device. The human hand is too useful a tool to be used merely for holding. Some kind of bracket, vise or mechanical holding opparatus can always be devised. It will always pay.

Getting rid of finished work is no place for wasting human energy. Almost invariably gravity can be harnessed for this job.

What does the industrial engineer know about your specific business—rubber, guns, airplanes, shells, lingerie, hairnets?

Probably little or nothing about those things—only this: That work of every single kind is basically the same; that the speed of production can be measured; that there's a better way to do almost everything.

What do workers think of it?

Invariably the answer is better morale, higher earnings.

One industrial engineering firm estimates that a 10% increase in earnings is an average for the industrial plants which have been scientifically studied and where the plan recommended has been adopted — and conscientiously carried through.

In almost every case a work simplification programme goes hand in hand with pay adjustments upward—because workers produce more, because management can afford more.

Unions Show the Way

Unions have led the way in numerous cases. A group of garment workers' unions in New York set aside $50,000 this year for management engineering service out of union funds. The objective was to cut costs, boost output and make more jobs for their members.

According to Business Week, the International Ladies Garment Workers Unions (A.F. of L.) have had an educational programme for 25 years. This year it features a course on production methods, the first such course ever offered to trade unionists. A field staff gathers material on work habits, including time-motion studies, for presentation to union members. Under its contract with dress manufacturers, the union undertakes joint responsibility for increasing output.

But industrial engineering has to be explained to workers. Engineers report workers generally suspect there is a catch to it somewhere; that they are going to be victims of "speed up"; that they are going to "produce" themselves or their friends out of a job.

Foremen, they report, are inclined to take the view any tried method is good (better if used way back when they worked at a bench), bad if new. Since most managements expect foremen to be "thinker-uppers" of savings, better production and efficiency, these men are inclined to view with alarm and as an implied criticism the engineer's arrival and recommendations.

But with a guaranteed product and pastmasterships in diplomacy, industrial engineers show they can soon win confidence and co-operation—provided management is 100% behind them.

Earnings Do Rise

The industrial engineer is specially trained and experienced in determining how many work units a given worker on a given machine can turn out in a given time. His profession provides him with data on that or similar operations in many different plants.

"The normal worker is a slow worker," say the engineers. "Without any special incentive an experienced hand will take a lot of time out for hair-scratching, and his motions will be much less than dazzling."

To prove that the normal worker without special incentive is a slow worker, the engineers cite the fact that the average production for large departments in many plants where there are wage incentives will always be considerably higher; sometimes as much as 30% higher.

However, the engineer takes this normal "un-incentive-d" worker as his starting point. Management and labor works out the price to be paid for that unit of work. This amount—say 40 cents an hour for eight hours a day—the worker receives no matter how much or how little he produces.

Then comes the incentive. For production above the normal, "slow rate" figure, the worker is paid a bonus.

And the experience of industrial engineers is that where such plans have been adopted virtually everybody makes a bonus, always.

Workers then no longer have any suspicion about easier, faster methods.

Helps Worker Morale

Implicit in the results of such replanned production is what happens to the minds of the people involved.

Post in each shop the previous days' production bonuses—in order like school examination results. Human nature loves it and tries to get toward the top of the list—especially since the rewards are not marks but dollars. Healthy, morale-building, rivalry is a result with more pleasure and more profits for everybody, say the engineers.

One Canadian plant which was industrially engineered had over 400 useful and time-saving-cost-cutting suggestions from employees in two years.

In that plant, employees had the co-operative idea—that production was a co-operative enterprise.

Industrial engineers list some of the things their teaching can do.

Make everyone waste conscious, cost conscious and method conscious, instead of trying to confine such things to an expert or a small department.

Encourage people to improve their own jobs, letting them take all the credit for improvements made—with profits.

Put across the idea in a way that sticks that management's bank account is exactly like the workers—eventually both must balance.

The process of industrial engineering is basically one of teaching. Pointing out the places to hunt for improvements and savings; installing a point of view in every last individual around an organization from the president's office to office boy.

> "As shortages of labor, materials and machinery become more acute, necessity for economies in production . . . become increasingly important. Every business which takes the earliest opportunity of effecting such economies will be that much better off in the long run."
>
> **Address by Donald Gordon,**
> **Chairman, Wartime Prices and Trade Board.**

Pulp-Paper Exports Worth $260 Millions

All Divisions of Industry Record Heavy Demand in 1941

From Our Own Correspondent

MONTREAL. — Final figures on pulp and paper exports from Canada in 1941 are expected to show an aggregate trade of around $260 millions. This contrasts with $231.8 millions in 1940 and represents one of the biggest years in the history of the industry, both in respect to dollar value and tonnage volume.

The past year has been an exceptional one for the Canadian pulp and paper industry. Not only has there been a sharp rise in domestic demand, but the majority of the democratic countries of the world have come to depend upon Canada for all or part of their pulp and paper supplies.

This situation applies not only to newsprint — the leading Canadian export item aside from gold — but also to the numerous other pulp and paper products produced in this country.

Demand for woodpulp has been particularly heavy, as also has been the case for insulating board, kraft papers, etc.

Record Sharp Advance

The estimated value of pulp and paper exports in 1941, with comparative figures for 1940, follow:

	1941 $	1940 $
Newsprint	155,000,000	151,360,196
Board	10,000,000	8,423,574
Other paper	15,000,000	11,095,756
Woood pulp	80,000,000	60,930,149
	260,000,000	231,809,675

Newsprint in Lead

Newsprint exports in the past year reached the highly impressive figure of about $155 millions. Of even greater significance is the fact that most of this trade was paid for in U. S. dollars.

Last year the United States increased its purchase of Canadian newsprint paper. Much heavier shipments also were made to Argentina, Brazil, Chile, Peru, Mexico, and other markets. Considerable tonnage went to Australia, New Zealand, the United Kingdom, British India and other parts of the Commonwealth.

With the exception of the United States, which has a domestic supply of around one million tons or a little better than 25% of requirements, every country in the world outside of the Axis influence depends on Canadian-made newsprint paper.

This condition is of no little importance in maintaining friendly relations with countries which hitherto have looked to the Scandinavian countries or northern Europe for their supply of newsprint.

Board Demand Heavy

One of the most remarkable of the many changes which occurred in the operations of the Canadian pulp and paper industry since the commencement of the war has been the extraordinarily strong demand for insulating and building boards.

The demand has been particularly heavy from both domestic and export sources. In the domestic field, wallboard and insulating board has been used in large quantities for temporary structures in military camps, etc. In the export field, particularly the United Kingdom, there has been no let-up in the use of board both in camps and to provide temporary shelters following air raids.

No figures have been released for some time on the volume of shipments either to domestic or export markets, but the value of export shipments in 1941—placed at some $10 millions—gives an approximate idea of the tremendous extent of this business, which in the years before the war was of negligible proportions.

Record Paper Sales

Fine papers, kraft papers and other pulp products also have been in strong demand for much the same reason as in the case of newsprint—the shutting off of European sources of supply. Many of the Commonwealth countries are not in a position to meet their own requirements from domestic sources and, consequently, have had to rely upon Canadian mills to make up the deficiency.

Then, too, the war has created a huge new market for special types of paper. Enormous quantities of paper have been used to provide printed forms in connection with the raising of public loans; forms for the armed services; control boards, and numerous campaigns. In addition certain forms of paper are used for wrapping munitions, etc.

Adopt Modified Rationing

The demand has been such that manufacturers of fine paper have had to put in force a modified form of rationing in order to ensure sufficient paper to take care of all demands, especially those from other parts of the Empire.

Facilities have been used to the utmost and provided reasonable care is taken to avoid waste, etc., it is believed the Canadian mills are in a position to continue providing all the paper necessary for essential purposes.

Pulp Sales Heavy

One of the principal fields of expansion for the Canadian pulp and paper industry has been in the pulp division. Ordinarily the United States depends upon Scandinavian mills for a large part of their pulp requirements. With those mills cut off from the American market and domestic mills unable to keep pace with demand, the United States has looked more and more to Canada as a source of pulp supply.

For the first nine months of 1941 the United States imported from Canada 24% more pulp tonnage than was the case in 1940. This applied particularly to the chemical grades of pulp, as domestic sources of groundwood pulp are adequate for all purposes.

Pulps for Explosives

In addition to the heavy demand from the United States for chemical pulps, the greatly increased scale of operations in the fine paper and other paper making mills in Canada has called for a larger tonnage. Then, again, there has been a strong demand for nitrating pulps to make nitro-cellulose for explosives.

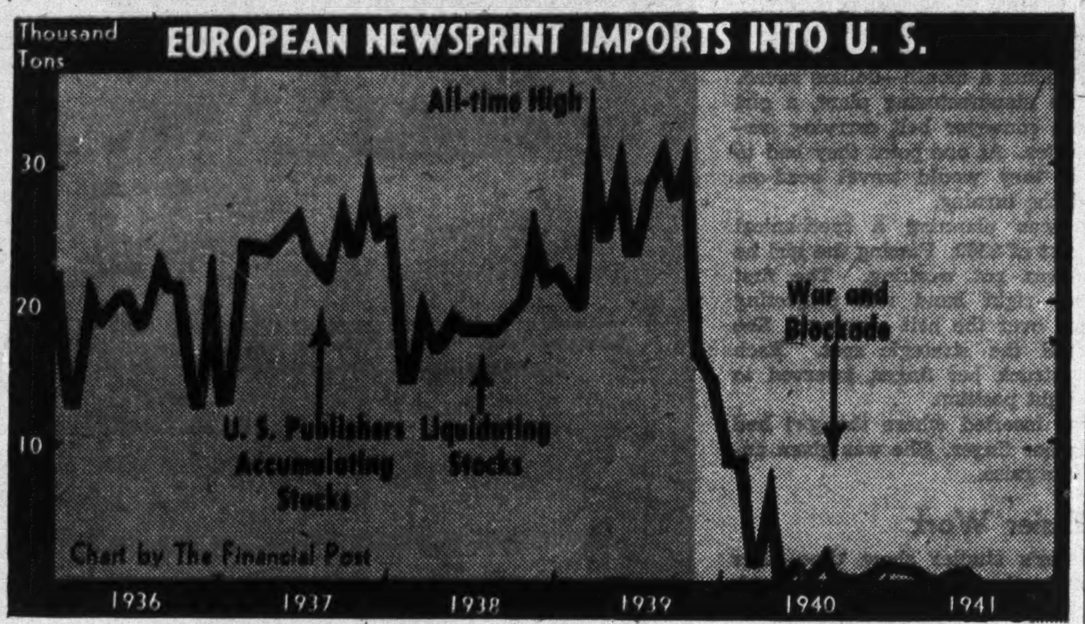
Canadian mills also have been shipping large quantities of pulp to the United Kingdom for further processing. With the blockade against the Scandinavian countries complete, the United Kingdom has had to depend solely upon pulp imports to keep mills in operation.

Doing a Major Job

Over and above the job of supplying pulp and paper to the markets of the world—outside the continent of Europe, the Canadian pulp and paper industry has been doing a major job in making available to the Canadian government huge sums of foreign exchange, especially U. S. dollars, with which to finance purchases of war materials outside of Canada.

While no exact figures are available, it is estimated that well over 80% of the foreign exchange accruing to Canada from the export sale of pulp and paper products in 1941 was in the form of U. S. dollars.

This makes pulp and paper the Dominion's most important source of U. S. dollar exchange outside of newly mined gold.



The great majority of the millions of American newspaper readers read papers printed on Canadian newsprint. War and blockade have created this enlarged market Canada is called upon to supply.

U. S. Paperboard Output Mounts

Production For Current Year to October 88.8% of Rated Capacity

From Our Own Correspondent

MONTREAL. — Production of paperboard in the United States amounted to 583,868 tons for October, 1941, indicating an expansion to new record levels. This was an increase of 8.4% over the 538,405 tons produced in the preceding month, according to figures released by the U. S. Department of Commerce.

Production of paperboard in the United States for the ten months ended October, 1941, totalled 5,060,594 or 88.8% of rate of capacity. This contrasts with 4,324,204 tons or 73.1% of capacity in the like period of 1940.

Unfilled orders reported by the mills at the end of October totalled 442,023 tons, as against 140,027 tons a year ago.

U. S. Advertising Moves Up Sharply

From Our Own Correspondent

MONTREAL.—With the aid of an extra Sunday in Nov., 1941, compared to Nov., 1940, total newspaper linage in 52 key American cities showed a gain of 6.6%, according to returns compiled by Editor & Publisher from Media Records measurements.

General advertising produced a phenomenal gain of 19.1%, affecting a steady rise in August.

According to Media Records every classification except classified and automotive showed increases during November. Classified was off only .3% and automotive down 2.7%.

Total gain in newspaper advertising for the 11 months of the year was 3.7%. Retail was ahead 5%; department stores 4.7%; general 1.1%; financial 6.2%; classified 4.6% and total display 8.4%. Automotive was off 8.2% for the year.

Canadian Celanese Sets Date for Interest

From Our Own Correspondent

MONTREAL.—Canadian Celanese announces March 17 next as date when interest for 1941 will be paid on the income funding rights to holders of record December 31.

Unbleached Pulp In U. S. is Tight

War With Japan Will Tend to Limit Use for Civilian Needs

From Our Own Correspondent

MONTREAL. — Reports received by the Paper Trade Journal continue to stress the tight supply situation in the United States for unbleached sulphite and the increasing scarcity for all grades of chemical wood pulp. Consumption of unbleached sulphite is running about 70% above last year, which is greater than the increase in production and imports, with the result that consumers have had to draw upon stocks.

Prices are stabilized and no upward revisions from prevailing contract prices are likely to occur. The war with Japan will have an adverse effect on the supply of sulphite pulp for civilian goods. The supply of cotton linters is not sufficient for munition needs, and large quantities of sulphite wood pulp will be required for nitrating, thus curtailing the production of papermaking grades of pulp.

Canada Paper Co. Enlarging Windsor Mills

From Our Own Correspondent

MONTREAL.—Canada Paper Co., subsidiary of Howard Smith Paper Mills, has plans under way for expansion of its plant at Windsor Mills, P.Q., including a new building for extensions in paper-making machinery division, a new pulp storage tank, alterations and improvements in pulp department and other work. The cost is reported to be close of $500,000.

Donnacona Paper Co. Capital Plan Passes

From Our Own Correspondent

MONTREAL, — Shareholders of Donnacona Paper Co., at a special meeting, unanimously ratified changing the company's Class A and B shares into common shares of no par value.

The amount of capital with which the company will carry on business will not be changed—$2,107,860 represented by 376,572 common shares. Each share will be entitled to one vote.

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Dryden Paper Output Peaks

Current Production Is Double That of Peacetime — No Expansion

From Our Own Correspondent

MONTREAL.—Dryden Paper Co. for the past several months has been producing kraft pulp at a rate of over 30,000 tons per annum, according to F. A. Sabbaton, president, in his annual report to shareholders.

This is considerably in excess of the previous year, when production was sharply curtailed owing to the power shortage brought about by unusually low water conditions in the Dryden district. This condition has been overcome by the addition of steam-driven units and energy purchased from the Ontario Hydro Commission.

Due to the increased demand for containers and other wrapping papers, principally in the United States, due to war conditions, Mr. Sabbaton says the market price for kraft pulp has risen to a point where, for the first time in many years, it exceeds cost of production.

In the past it has been the policy of Dryden Paper to manufacture only the amount of pulp required for conversion into the finished product in its own mills, together with such pulp for sale as would permit the mills to operate at their most economical point. For this reason the Dryden plant for the period from 1933 to 1940 turned out only slightly over 15,000 tons of pulp a year, on the average. This has been at the rate of approximately 50% of rated capacity.

It should be noted, says Mr. Sabbaton, that as his experience over many years of selling kraft pulp on the open market has proved unprofitable, it would seem inadvisable for the company to further expand its pulp capacity, unless the same is converted into a finished product in its own mills, or unless Canada's war effort urgently requires an increased amount of kraft pulp.

U. S. Lays Plans To Allocate Pulp

Move Necessary to Regulate Supply of Nitrating Pulps

From Our Own Correspondent

MONTREAL.—Plan for the allocation of wood pulp in the United States, based on the need for expanded use of the nitrating types in the production of explosives, has been drawn up by the Office of Production Management.

At present the allocation plan is intended as a "relief" for those mills whose production will be turned to the manufacture of high-grade bleached sulphite used in the production of smokeless powder. Three mills manufacture such grades of pulp at the present time and in order to protect both them and their customers, who rely on them for paper pulp, the O.P.M. has prepared a "relief" allocation plan.

This plan will be developed eventually into a complete programme for allocation of wood pulp, according to executives in the pulp and paper trade. The O.P.M. has prepared an extensive questionnaire for all important pulp and paper users, requiring data on shipments, stocks, consumption, etc., and on the results of this questionnaire will be based the allocation programme.

European Newsprint Off World Market

United States Now Wholly Dependent on Canadian, Newfoundland and Domestic Mills For its Entire Supply

From Our Own Correspondent

MONTREAL. — European newsprint paper has been eliminated from the United States market. The odd ton or two may slip through, but for all practical purposes the United States is now dependent upon domestic, Canadian and Newfoundland mills for newsprint paper requirements.

Ordinarily the U. S. looks to Europe for a fair-sized block of tonnage which has an important bearing on the spot market for newsprint paper and, in some instances, has an influence on contract prices.

Supplied Large Share

Beginning with the depression years and through to the end of 1939, European mills accounted for an increasingly large share of the American market. In 1935 and 1936, some 6% of the U. S. newsprint requirements were supplied from Europe. The share of the market rose to 7% in 1937, 8% in 1938 and 9% in 1939.

The increasing demand for European newsprint was not due to any superiority of quality or better service, but simply a matter of price. The Scandinavian countries of Finland, Sweden and Norway and, in addition, Germany, were selling paper at whatever price they could get in order to secure U. S. dollar credits.

Right up to the end of 1939 imports of newsprint from Europe into the United States were heavy—averaging around 30,000 tons a month. With the opening of war, Germany was immediately excluded from the market. The other countries continued shipping until the Finnish-Russian war, when Finnish mills were forced to discontinue export trade. Then Norway fell victim to the Germans and it, too, dropped out. By this time the whole northern area was under blockade and export trade with the United States came to a standstill.

Paper Trade Disappears

The effect of wartime conditions on the northern European newsprint trade is clearly indicated in the following table showing the trend of shipments by month from the beginning of 1939 to the end of 1941:

U. S. Imports of European Newsprint
(In tons)

	1941	1940	1939
Jan.	1,148	8,953	22,930
Feb.	16	8,882	20,100
March	785	1,854	35,029
April	....	7,323	25,339
May	350	192	31,486
June	566	1,168	24,666
July	....	894	28,457
Aug.	....	2,291	31,283
Sept.	....	258	28,370
Oct.*	....	....	31,189
Nov.	....	572	16,606
Dec.	....	1,463	14,929
Total	2,865	33,850	310,384

*Import figures for last quarter not yet available. Indications are that trade was completely blocked.

Canada Main Source

Something less than 3,000 tons of European newsprint paper was imported into the United States during 1941. Shipments were spotty and highly irregular. Since mid-year the trade has been at a standstill.

Until the end of the war the United States will have to depend upon Canadian, Newfoundland and domestic mills for newsprint supplies. The dependency upon each group is set out in figures prepared by the Newsprint Association of Canada. In 1941 Canada supplied the U. S. with 69% of all newsprint, Newfoundland 5% and domestic mills 26%. In contrast with the last prewar year—1939—Canada supplied 62%; Newfoundland, 2%; Europe, 9%; and domestic mills, 27%.

Revision of Returns Cuts U. S. Newsprint Stocks

From Our Own Correspondent

MONTREAL. — Revision of the method of calculating stocks of newsprint paper on hand with the U. S. publishers has reduced estimated supply on hand by over 65,000 tons.

In past years publishers reporting to the American Newspaper Publishers Association were credited with using around 78% of the apparent total United States consumption of newsprint. Likewise the stocks of paper they reported as being on hand at the end of the month was calculated on the same ratio.

Revision of Ratio

With the introduction of the balance sheet method — supply as against outgo — it was apparent that a revision of the ratio was necessary to ensure an accurate picture of the supply situation.

Early in 1940 it was estimated the group of 421 publishers reporting to the A. N. P. A. represented 77.3% of total United States consumption at that time and during 1939. Because of revision in the figures, the Newsprint Association of Canada estimated this group accounted for 77.55% of total consumption in 1939 and 76.54% in 1940.

In recent months stocks of newsprint with U. S. publishers have shown faster than at a normal rate. The preliminary figure for October, 1941, was 563,585 tons, a sharp increase over that reported in previous months.

Revise Figure Downward

With the publication of the November statement, the Association revised the October stocks to 498,247 tons, a drop of over 65,000 tons

In explaining the reason for this, the Association reports a further revision of figures was necessary and the proportion of the total U. S. supply as represented by the 421 publishers was reduced to 74.98%. In other words, the member publishers of the Association now account for only three quarters of the total U. S. newsprint market. This indicates a much broader use of newsprint paper in the United States for purposes other than publishing.

The effect of the November revision of figures on the American supply of newsprint paper at the end of October is set out in the following table:

Newsprint Stocks

	October Prelim.	October Revised
Canadian mills.........	162,582	162,582
American mills	11,614	11,614
Newfoundland mills	82,833	82,833
Total mills	257,029	257,029
All publishers	563,585	498,247
Total	820,614	755,276

Railways Hold Key Position In War Effort

Sir Edward Beatty Draws Attention to Postwar Problem in Survey

From Our Own Correspondent

MONTREAL.—Though the danger which faces Canada today is greater than that of a quarter century ago the country is better equipped to cope with it in resources, in national wealth and in workers, says Sir Edward Beatty, Chairman and President of the Canadian Pacific Railway, in his annual review.

Step by step with the progressive development of commodity production, he continued, the extension and broadening of industrial equipment has kept pace and in no phase of activity has this been more true than in the work of the railways.

"It must ever be that the country's transportation systems are in the front line of our industrial effort for national defense. It was so in the previous war and it is so today. They are responding to a continual demand for an increased effort and greater efficiency in all their branches of public service."

Railways Meet Demand

"The result may be seen in the prompt and efficient manner in which extraordinary loadings of military supplies and domestic commodities have moved to and fro across the country with almost uninterrupted regularity, while passenger trains laden with troops and unprecedentedly large numbers of travellers have maintained their services and schedules in speed and safety to a very high degree."

Sir Edward continued in part:

"Two factors mainly have contributed toward the successful carrying out of these wartime tasks. . . . We have not failed to profit by experience gained in the last great war. We entered this struggle with a fairly clear view of what we should later be called upon to do.

Efficiency Pays Dividends

"Another factor . . . is the unfailing attention which has been paid to increasing capacity and efficiency.

"Canadian railroads today present a vastly different picture from that of a quarter century ago. Abnormal traffic demands of boom times, the necessity for economical operation in periods of depression and the inspiring spur of new and varied competition have set keen minds to work on problems the answers to which are seen in the unprecedentedly high state of efficiency at which they are now operating.

"Through the years of varied fortune it has been the policy of the Canadian Pacific Railway to keep abreast of the best modernized operating practices, and its physical plant has accordingly been maintained and improved. Locomotives of new design and greater power are hauling loads such as were not possible during the last war, while freight cars of greater size and improved structure give increased capacity and safer handling of freight to which scientific methods of loading have greatly contributed. Passenger coaches have been likewise modernized and services increased to meet growing demands. Over the whole system roadbeds have been improved and lines extended to bring the railway services to wide stretches of newly opened country which since have become important areas of production.

Appreciate Railway Services

"We find, also, that there exists on the part of shippers the country over a realization of the effort which has been made to keep abreast of their requirements and we are glad to welcome a wholehearted and encouraging co-operation such as could not exist without a realization that trade, industry and the railways are interdependent each upon the others, and that, in a time of crisis such as this, the railways are an indispensable foundation for the whole structure of wartime activity.

"The construction of new engines and cars is being rushed forward in order that increasing traffic demands satisfactorily may be met, and so the work will go forward progressively so long as the war lasts.

Problems of After War

"The after-war situation of the railways is one which should give the country grave concern. Looked at from the point of view of gross earnings, they now are prosperous. We have come through a long period of depression aggravated by rising operating costs, increased costs of replacement and betterment, advancing taxes and steadily growing competition.

"For almost 10 years the owners of the Canadian Pacific Railway have received no return upon their investment, while the Canadian National Railways have continued to require an annual subsidy of many millions from the Dominion Treasury. This wartime condition of abnormal traffic returns will not last. Even were an after-war depression miraculously to be averted, a return to normal business conditions again would bring the railways face to face with the deadening load of taxation and competition. It may be that, as time goes on, road-carried competition, using highways at unduly low rates of taxation, will continue to increase, and we already are threatened with important extensions to water-borne competition—using waterways constructed and maintained out of the public purse and at no cost to the users. The possibility of appreciable reduction in taxation of the railways may safely be left to the imagination of the intelligent reader.

"Certainly, one of the facts which already has been accentuated as a highlight in the war is that the country's railways should always be maintained at a high point of efficiency if national crises are adequately to be dealt with. No other agency can then take their place to carry on their work uninterruptedly all through the year. If in more normal times they are starved and neglected so that their earnings are not adequate to provide high standards of service, it is the country's business which will suffer, while in times of emergency, their contribution to the national cause can be only partial and generally unsatisfactory."

Urge U. S. Publishers Watch Conservation of Newsprint

From Our Own Correspondent

MONTREAL.—Publishers in the United States are again reminded by the American Newspaper Publishers Association of the saving in newsprint paper to be effected by practising conservation.

Twelve suggestions are set out by the association:

Control returns, that is watch them carefully or hold to a definite percentage;

Run office ads only when they will not increase the size of the newspaper;

Analyze carefully the number of editions and starting times. Their control has an effect on returns, the newsprint used and on payrolls of all mechanical departments;

At all times abide by the news and advertising space limits allotted;

Check every classification of newsprint waste, from the time a roll leaves the mill until it is delivered as a finished newspaper;

Curtail "dead-head" copies;

Mill to Press

Question the advisability of printing circulars, that do not show an adequate return;

Pay particular attention so that there will be no overordering of comics, magazine sections or rotogravure sections printed by commercial organizations;

When wastepaper prices increase, check your prices with other dealers to ensure fair returns;

Check carefully coinage and storage charges;

Account for all paper printed and investigate discrepancies between press and mail room counts; and

Conserve by the use of a narrower roll and the use of 4 point column rule.

Colombian Crude Oil Output up in August

Production of crude petroleum in Colombia in August this year increased to 2,332,777 bbls. from 2,118,981 bbls. in the preceding month. Volume of petroleum refined in Colombia declined to 251,969 bbls. from 254,611 bbls. in July.

Exports of crude in August totalled 2.1 million bbls. compared with July shipments of 2.5 million bbls. International Petroleum Co. is considerably the largest crude oil producer in Colombia.

More Paper Used In U. S.

Apparent Consumption to End of November Higher by 4.9%

From Our Own Correspondent

MONTREAL. — Total apparent consumption of newsprint paper by United States publishers was 351,932 tons for November, compared with 350,064 tons for October and 328,530 tons in November last year, according to returns released by the American Newspaper Publishers Association and the Newsprint Association of Canada.

The October to November expansion was contrary to the usual seasonal trend. This was explained in part by increased newspaper reader interest and larger volume of advertising.

Advertising up 3.7%

Advertising linage of 52 key United States cities increased 6.6% last month over November, 1940. This brought the cumulative increase for the first seven months of the year to 3.7%.

The apparent newsprint paper consumption in the United States for the first seven months of the current year totalled 3,563,729 tons. This compared with 3,396,807 tons for the like months of 1940, an increase of 4.9%.

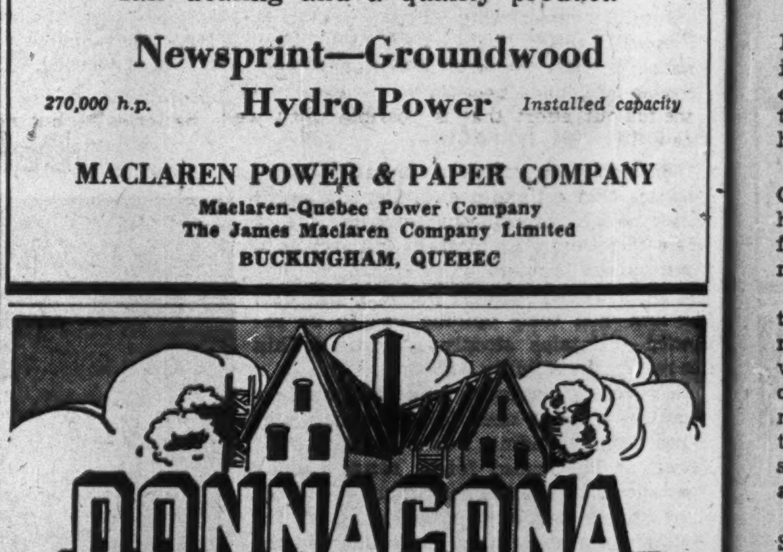
JAMES W. SEWALL
Hutton Block, Port Arthur, Ont.
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER

A Good Name

For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.

Newsprint—Groundwood
270,000 h.p. Hydro Power Installed capacity

MACLAREN POWER & PAPER COMPANY
Maclaren-Quebec Power Company
The James Maclaren Company Limited
BUCKINGHAM, QUEBEC


DONNACONA
INSULATING PRODUCTS
FOR EVERY INSULATING PURPOSE
Alexander MURRAY & Company
LIMITED
MONTREAL TORONTO HALIFAX
SAINT JOHN WINNIPEG VANCOUVER

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The GREAT LAKES PAPER COMPANY Limited
Manufacturers of
HIGH-GRADE NEWSPRINT
and
SULPHITE PULP
A modern mill affording an annual capacity of 113,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.
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R. G. MEECH, K.C.
SEN. N. M. PATERSON
J. B. GEFAELL
Vice-president in charge of sales
C. ENGLAND
Assistant to the President and Secretary-Treasurer

Financial Post Editor Eyewitness as Commons Enlists Womanhood

How Great Britain Harnessed Every Resource For Victory

Mobilization of all "woman power and man power still available" for war was accomplished in Britain shortly before it was announced in Canada. Witness of the passage of the historic Bill was Floyd S. Chalmers, editor of The Financial Post, who has been in Britain for the past seven weeks. He here gives a first-hand account of Britain's transition to total war.

By FLOYD S. CHALMERS
Editor, The Financial Post

LONDON.—The other day I sat in for a meeting of the House of Commons and listened to Ernest Bevin, Minister of Labor and National War Services, make a speech that was historic in more ways than one.

These milestones were passed that day:

Britain decided for the first time in its long history to conscript women for the fighting services—army, air force and navy.

Britain accepted the principle that for the winning of the war, there must be a complete mobilization of all the human resources of the nation, regardless of sex, class or other distinction; and with the State assuming the right to direct people into the fighting services or elsewhere according to the contribution that each person could best make.

A leading Labor man refused to permit the further "nationalization" of industry and utilities in wartime, and, in effect implied that he believed that the type of socialism implicit in public ownership has gone far enough for the moment in Britain.

Bevin made a fighting-back speech, breaking sharply with many of his former labor colleagues when they sought to tack on the purely political provision that conscription of man power and woman power should be accompanied by "nationalization" of all war industries.

One felt the significance of the moment when a spokesman of the laboring men of Britain called upon each citizen to put himself freely at the service of the State, no matter what his present job.

One felt, too, that here a mighty challenge was being presented to Canada. After the speech, two M.P.'s and two Members of the House of Lords came up to me and asked "Do you think that this is going to make any difference in Canada's policy?"

A little embarrassing, that question. But I replied frankly "I am sure it will. Mobilization of man power and woman power is coming in Canada because we'll never make the full-out effort that is possible until we have it."

Britain is nearer the war than we are in Canada. Britain has been under fire and we have not. That explains, perhaps, the difference between the British approach to the man power problem and ours.

The debate in the House of Commons on this question was labelled in the Hansard reports "Maximum National Effort." That is what Britain is talking about. In Canada the controversial issue is that of conscription for military service overseas. Actually conscription for military forces is only one very small segment of the problem of organizing a nation for maximum effort.

In Britain there are many phases of the State direction of human effort in time of war: men for the fighting services; women for both combatant and non-combatant jobs in the same services; men and women for home defense duties; men and women for munitions plants, for key export industries, for vital transportation and utility services; for the necessary civilian industries and trades; boys and younger girls for the youth training organizations. The question of conscription for men of military service has not been a subject for debate in this country since before the war. Britain started the war with that policy and has extended its application to new age groups as equipment has become available and the range of the war has widened.

It is a fact that while we in Canada were arguing about a very limited definition of "conscription," the British were going ahead with plans to mobilize the entire nation.

The point was brilliantly illustrated by the fact that in an address of one hour's duration Mr. Bevin never once used the word "conscription." The British people crossed the conscription bridge long ago and have no intention of recrossing it until the war is won.

The Resources Available

The bill introduced into Parliament by Mr. Bevin was based upon a resolution whose wording is significant. It said:

"Resolved, in the opinion of this House, for the purpose of securing the maximum national effort in the conduct of the war and in production, the obligation of National Service should be extended to include the resources of woman power and man power still available . . . . ."

Note that production was bracketed with the conduct of the war. Note, too, the use of the phrase of the "obligation of National Service" rather than the narrow phrase "conscription."

Here is a brief summary of the position of the man and the woman in England under Britain's new mobilization of human resources plan:

Men.—All between 18½ and 51 now liable to be called up for military service.

The only exemptions are merchant seamen, full-time members of certain civil defense organizations; students completing their year, lay evangelists and veterinary surgeons. Modified deferment is allowed in agriculture, building, coal mining and the civil service. All other "reservations" to be based upon the individual work of the man in question, the national interest and war-winning being the only tests. Youths may be urged to join youth training organizations, which will prepare them for larger service later, while older men may be directed into war work on the home front.

Women.—Unmarried women between 20 and 30 now liable for military service.

Some 171,000 will be required for actual combatant duties — such as in anti-aircraft batteries — but no woman to be forced to use a lethal weapon if she objects. Only reservation is for women engaged in vital war work. All women up to 51 may be directed into factory jobs and other war work of national importance, with those between 30 and 40 to be registered first, shortly after Christmas.

The jobs that women have to do in the fighting services are varied. They include the A.T.S. (army), the W.A.A.F. (air force) and the "WRENS" (navy) where women are replacing men in office duties, lorry-driving, repair work and a thousand other responsibilities such as "plotting" of the positions of our own and enemy aircraft and ships and the manning of searchlights, barrage balloons, A. A. guns, etc.

How Big is Bevin?

Bevin's speech was rated by Parliamentarians as one of the finest efforts of recent Parliaments. There were those who suggested that it raised him to the level of "next Prime Minister." This listener, who has heard many of the best debates in the Canadian Parliament, who has sat in the gallery of the British House of Commons many times, but never happened to have heard a major address there, wondered at that judgment.

What Bevin had to talk about was historic. The way he put his case was impressive. Bevin has a forthright style. Standing at the despatch box, he was a fighting figure of a man. But he was fighting a narrow group. He addressed himself almost entirely to the small handful of his old friends, now his enemies, in the fractious, non-National Government Labor group across the aisle, forgetting the larger world audience that would read his words.

The irony of it is that if Bevin owed explanations to anyone it was not to his former colleagues, but to the country at large. For it is as much due to Bevin as to anyone else that Britain lagged in mobilizing and training workers for the new war plants it has built and tooled up. If Bevin's speech was a Parliamentary master-stroke, then the standard of both oratory and incisive speech has fallen very low in the House of Commons.

Perhaps Bevin felt that he was on the defensive. British war production has expanded enormously during the past year. But war production could have been even larger if there had been men and women to operate the lathes and machines that have become increasingly available.

A statement recently made in Canada that British war production is only 50% of the potential capacity is, I am sure, a gross misstatement of the facts. But that British war production has fallen short of the optimum, as much through lack of skilled workers as through anything else, is unquestionably a fact.

War-Winning First

In Bevin's basic theme, there was a stubborn determination to gather the whole of the nation's resources for victory. Here and there a brilliant passage came out of the rough-and-tumble of his words; passages that brought cheers from Churchill, Anderson, Kingsley-Wood, Greenwood, the Morrisons, Attlee, from the packed benches of old parliamentarians and a blinking smile from Mr. Speaker as Bevin ignored most of the parliamentary rules (which he has, for that matter, not yet learned).

"It is," he said, "a cardinal point of policy for the government as a whole that neither interest, property, persons nor prejudice will be allowed to stand in the way of the supreme object of winning the war."

The problem of selection and transference has to be handled with care, he asserted. "It is just as easy to upset an industry by direction as to fill it by direction."

"No system is perfect," he admitted. It could not be "except perhaps in a well-ordered world where all were perfect and all of us sane, but that would be a mad place to live in."

Some people objected, he said, to calling up women. But hadn't every woman a right to be "honorably called up"? Hadn't she the right to conscientious objection; of appeal to a hardships tribunal?

To the accusation that the training of youths was creating a "Churchill Youth Movement," he bounced back with "I would rather have a Churchill youth movement than leave the children in the slums unattended." Every kind of youth movement—he was referring to Boy Scouts, Boys' Brigades, Sea Cadets, etc.—that gives training and direction to adolescents would be encouraged and left undisturbed, but children could not be allowed "to run wild."

New Water-power Installations In 1941 Total 254,600 h.p.

From Our Own Correspondent

MONTREAL.—New water-power installations in Canada during 1941 totalled 254,600 h.p., according to Hon. T. A. Crerar, Minister of Mines and Resources, in his annual survey of hydro-electric progress in Canada. This, together with 6,000 h.p., resulting from equipment replacements and not previously reported, brings Canada's total hydraulic installation as of Jan. 1, 1942, to 8,845,038 h.p.

Throughout the year intensive efforts were maintained to provide additional supplies of power for the ever-increasing demands of war industries. These demands were met by bringing into production new water-power installations, by construction of new transmission line facilities, and the inter-connection of existing transmission systems. Further, a large amount of secondary power was diverted for primary purposes; this diversion amounting to about 640,000 continuous h.p.

New High Output

As a result of the intensive effort to make available larger quantities of power for the war effort, it is estimated that hydro-electric energy produced in Canada last year totalled 33 billions of kilowatt hours—an all-time record.

In respect to new hydro-electric installations last year, the Department reports that there were no new additions in British Columbia. However, the West Canadian Hydro-Electric Corp. is adding a 3,000 h.p. unit to its plant near Vernon and is providing additional storage in the Sugar Lake Reservoir.

Powell River Co. is providing additional storage for its Lois River generating station by completion of the Scanlon stand to a height of 140 ft., the highest yet constructed on the Coast.

Work on Prairies

No new water-power developments were completed in the Prairie Provinces during 1941. Work on the Calgary Power Co.'s 23,000 h.p. plant on Cascade River was commenced in January, 1941, and it is expected that power will be made available early in 1942. The power will serve a large munitions plant and storage will augment the supply of power from the company's four generating stations on Bow River.

In Saskatchewan the Churchill River Power Co. increased storage capacity of its reservoir on Reindeer Lake to provide additional power at its Island Falls generating station.

Because of the greatly increased industrial load at Sault Ste. Marie, Great Lakes Power Co. doubled the capacity of its plant at Upper Falls on Montreal River by the addition of a 10,000 h.p. unit. The height of the head dam was also increased, and this will permit installation of a further 10,000 h.p. at the company's Lower Falls plant. This unit is now being installed and will be in operation in 1942.

Ontario Creating Supply

The Hydro-Electric Power Commission of Ontario is now delivering power from its new station at Big Eddy on Musquash River. The installation consists of two units of 4,950 h.p. each.

Toward the end of 1940 the Commission commenced work on the development at Barrett Chute on Madawaska River, where 56,000 h.p. will be installed. It is expected the generating station will commence delivery of power in July, 1942.

The Commission also has recently commenced construction of a new plant at De Cew Falls. The installation will consist of a single vertical turbine rated at 65,000 h.p., and power will be available in July, 1943.

As a result of special agreements between Canada and the United States, additional diversions of water purposes have been made at Niagara Falls. These successive additions total 14,000 cu. ft. per second, permitting the full time operation of all generating stations on the Canadian side of the Falls.

New hydraulic installations in Quebec during 1941 totalled 230,000 h.p. This was largely made up of additions and betterments to existing plants, the only new plant brought into operations being that of the Quebec Streams Commission on the Upper Ottawa River, where 48,000 h.p. has been installed.

Aluminum Power Co. added 15,000 h.p. to the capacity of its Chute-a-Caron generating station by replacing the runners of three turbines, and thereby increasing each from 65,000 to 70,000 h.p. Two 65,000 h.p. turbines are also being added to this plant; one is expected to be in operation in March, 1942, and the second shortly afterward. These two units will be transferred later to the company's new Shipshaw plant on the Saguenay River where 510,000 h.p. is being installed; the initial installation is to be in operation about February, 1943.

Beauharnois Light, Heat and Power Co. added three units of 53,000 h.p. to its station at Beauharnois, bringing installations to 689,000 h.p., the greatest in any Canadian generating station.

Shawinigan's Big Job

Shawinigan Water and Power Co., by replacement of a turbine runner, increased the capacity of its La Gabelle station by 6,000 h.p. to 172,000 h.p. Another 2,000 h.p. was added to the Grand'Mere station by a similar replacement and its capacity is now 197,000 h.p.

The company, by improvements to and rearrangement of its transmission system, released some 80,000 h.p. from the Montreal district to provide additional power for the Arvida aluminum works, and by gradually reducing or discontinuing the supply of electric boiler power has made a further 200,000 h.p. available for war industries.

Maritimes Active

No new hydraulic construction was in progress in New Brunswick during 1941. Slow delivery of an additional steam turbine of 7,500 kv.a. in the New Brunswick Power Commission's Grand Lake station will delay its installation until 1942.

In Nova Scotia the Avon River Power Co., a subsidiary of Nova Scotia Light and Power Co., replaced temporary generators of 3,500 kv.a. in its Hollow Bridge station on Black River with one of 6,250 kv.a., delivery of which has been delayed. The 3,500 kv.a. generator is being installed in the company's Lumsden station at Hell's Gate on the same river. This plant is expected to commence the delivery of power in February.

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Fanny Farmer

In your opinion, will the de-listing of Fanny Farmer Candy Shops shares from the New York Curb Market have an adverse effect on the Canadian holder through the lack of a U. S. market for his stock?

It is not quite correct to say that the de-listing of Fanny Farmer shares from the New York Curb Market will mean that there will be no market in the stock. According to our information, it will still be possible to trade shares of the stock on the unlisted market in New York, just as many securities are traded in Canada.

Reasons given for de-listing the stock included the fact that there was only small activity on the New York Curb Market. De-listing will save the company the time and expense of making numerous reports to the Securities and Exchange Commission on share transactions and other material.

As far as the Canadian investor is concerned, there is a little change in position. He is already substantially cut off from making new investments in the New York market by Foreign Exchange Control Board regulations but the de-listing of Fanny Farmer stock has not changed his position in any respect other than he will not have quite as wide a market as formerly.

Burns & Co.

I was surprised to find so little improvement in Burns & Co.'s 1940 report. Is there any hope for a better showing this year?

While Burns & Co. has operated at a loss for the past three years we understand that the company will show a good net profit for 1941. Up to the end of October profit available for the Class "A" and "B" shares is unofficially reported at over $100,000 while there is mention of a possibility final net profit for the year may approach $300,000. This would compare with a loss of $76,371 in 1940.

Chief reason for this improvement is the much heavier volume of bacon that is now being shipped to the United Kingdom. Our western provinces are supplying much of that increase and as Burns occupies an important place in the western packing picture it is benefitting from the present situation in an important way. The company's acquisition of the Dumart organization this Spring has also tended to improve its competitive position.

Burns "B" is currently offered at around $3 a share and its qualities are speculative rather than of an investment nature. The immediate situation is, of course, good as has been noted above. However, also to be considered is the pre-war record which was not particularly good and, in addition, what will happen to the market for Canadian bacon after the war is a big uncertainty.

Hamilton Bridge

Please furnish me with any recent information you may have on the position and outlook of Hamilton Bridge Co.

Hamilton Bridge Co. reported late in the summer that volume of production in its plants was being maintained at capacity because of both normal business and that directly associated with the war effort. The company mentioned that its present volume of business was being done at a comparatively small margin of profit and added that, to avoid post-war dislocation, expansion of production facilities is being limited to the minimum required.

This company was reorganized in August, 1939, under a plan whereby the company's preferred stock was exchanged for common and its capitalization substantially reduced.

Last year it reported a much improved volume of business and a net profit of $164,360 compared to the net loss of $82,744 in 1939. On a new common stock this amounted to 67 cents a share. No dividends have yet been paid.

Outlook for companies in the structural steel business for the coming year is clouded by the growing restrictions being placed on uses of steel. It can be taken for granted that this trend will continue so long as the war lasts and that only essential building projects will be completed. Thus outlook for capacity operations next year may depend upon the extent to which the company can obtain war business.

Montreal Power

I notice that Montreal Light, Heat and Power is refunding a 3% note issue with a 3½% bond. Will you explain the reason for this and show where it is to the advantage of the company?

There are one or two important points to consider in looking at this refunding operation. On the surface it might appear that the company loses on the deal in that it replaces a 3% issue with one for 3½% without any reduction in the amount outstanding.

The major advantage gained by the company is to extend the maturity date of $14.9 millions of debt by 12 years. The existing 3% notes mature July 1, 1949, whereas the new issue is to mature July 1, 1961. The company thus gets the advantage of relatively low interest rates for an additional period.

Although we have no official intimation to this effect, it would appear that Montreal Power directors have concluded that there is little likelihood that interest rates will decline materially between now and 1949 when the 3% notes would ordinarily mature and they are apparently content to assure a 3½% rate for the next 20 years, a rate as low as any the company has been able to obtain on its long-term debt. Then it must be remembered that the new bonds are to be sold at a premium—the price is said to be 101—which brings the net cost of the capital somewhat lower. The notes to be redeemed are to be paid off at 100.

The 3% convertible notes which are being refunded are part of a total issue of $19.9 millions of which $5 millions, due 1944, carries a coupon rate of 2¾%. The 3% notes were offered in 1939 to holders of a former issue of 3% convertible notes which matured July 1, 1939. Outside of the $5 millions of 2¾% notes, due 1944, the current operation will leave Montreal Power with no bond maturities prior to 1956 and with all of its long term debt bearing 3½% interest with the exception of $13 millions of 4% bonds which are due in 1969.

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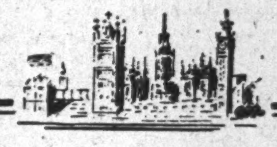

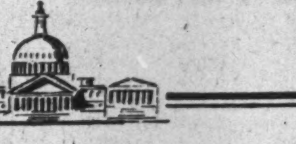

Churchill!

When Britain staggered back, dazed, from Dunkirk and all the menaced nations trembled, waiting for the end, one voice roused England, one will faced down disaster, one man alone rallied a reeling Empire.

> *"We shall go on to the end. We shall fight with growing confidence and growing strength in the air. We shall defend our Island whatever the cost may be. We shall fight on the beaches and the landing grounds, in the fields, in the streets and on the hills. We shall never surrender . . ."* Thus Churchill in that hour.

He stood alone, holding from panic three-quarters of the people on this earth.

He stands alone no longer. Before the Congress of the United States he said and repeated, "Here we are together . . . Here we are together . . ." The giants meet, the captains gather. With him free men of every race and tongue and creed unite to face "the mighty foes who seek our ruin" and to defend "all that to free men is dear."

Today Churchill, the Old World hero, treads in comradeship among the chieftains of the New. And Canada, and all the peoples on these continents, arise to hail him as the man who held the foe at bay when all seemed lost save his unconquerable will.

Published in tribute to the Rt. Hon. Winston Churchill on the epoch-making occasion of his visit to Canada and the United States in December, 1941.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING DECEMBER 27

Range 1941 High	Low	Div R'te $	Dec27 Y'ld %		Sales	Last Dec. 20	Week end. Dec. 27 H	L	Cl'se
				A					
1.15	.50	.	...	Abitibi	1000	.60	.65	.60	.65
9¼	4	.	...	Do. pref. 6%	170	6	6¼	6	6
15	8	.	...	Do. pref. 7%	....	(.06 bid	.06¼ asked)		
3	1	.	...	Acme Glove	....	(2¼ bid	— asked)		
60	50	6.50	11.2	Do. pref.	....	(— bid	— asked)		
14	11½	80+20c	7½	Agnew Surp.	....	(12½ bid	13 asked)		
108	105	7	6.6	Do. pref.	....	(108¼ bid	— asked)		
1.50	.75	.	...	Alta. Pac. Gr.	65	1.00	1.00	1.00	1.00
33	24½	.	...	Do. pref.	....	(24 bid	29 asked)		
10½	7		...	Algoma Steel	50	9	8½	8	8
97½	83	5	5.8	Do. pref.	30	85	86	86	86
115	95	8+2	9.3	Aluminium	290	107	108	107	107½
120	115	6	5.2	Do. pref.	....	(115 bid	— asked)		
8¼	5¼	25c	...	Amal. Electric	....	(7¼ bid	— asked)		
37	37	60cb	1.6	Amer. Cyn. B.	....	(33 bid	— asked)		
46½	44	2.75	5.9	Ang. Can. T. p	....	(— bid	44 asked)		
19¼	14½	60+60c	6.4	Asbestos	60	18	18½	18½	18½
18¼	14½	1.75	10.2	Assoc. Brew.	200	17	17¼	17¼	17¼
111	108½	7	6.3	Do. pref.	....	(110 bid	— asked)		
1	1	.	...	Assoc. T & T.A.	....	(— bid	— asked)		
‡24	24	96c	..	Do. pref.	....	(— bid	— asked)		
§103	101	5.50	5.3	Ault & Wiborg	....	(102 bid	— asked)		
				B					
147	140	8	5.6	Bk. Can. Nat.	16	143	144	143	144
195	171	8	4.3	Bk. Montreal	98	186	188	180	180
285	267	12	4.3	Bk. N. Scotia	64	270	273	270	273
255	240	†10	4	Bk. Toronto	....	(250 bid	— asked)		
8¼	8¼	20c	..	Barber Ellis	....	(7 bid	— asked)		
•5	4½	.	...	Barcelona	....	(— bid	— asked)		
1.25	.25	.	...	Barker's Bread	....	(.35 bid	— asked)		
22	16	.	...	Do. pref.	....	(14 bid	16 asked)		
14½	10	1+25c	9	Bathurst Pr.	515	13¾	14	13½	13¾
3	1	.	...	Do. (B)	....	(1½ bid	— asked)		
4	2	.	...	Beath & Sons	....	(— bid	— asked)		
9	4½	.	...	Beatty Bros.	15	8	8	8	8
102¾	92	6	5.9	Do. pref.	....	(101 bid	— asked)		
90	88	7	7.8	Do. 2nd pref.	....	(83 bid	— asked)		
11	6½	.	...	Beauharnois	130	9½	9¾	9½	9½
80	80	4	5	Belding Cort.	....	(80 bid	— asked)		
128	124	7	5.6	Do. pref.	....	(— bid	— asked)		
160¼	137	8	5.3	Bell Telephone	207	152	152	148½	150

Range 1941 High	Low	Div R'te $	Dec27 Y'ld %		Sales	Last Dec. 20	Week end. Dec. 27 H	L	Cl'se
.15	.15	.	...	For. Pr. Secs.	....	(— bid	.25 asked)		
16¾	10¾	1+25c	7.8	Foundation Co.	110	15½	16	16	16
14	4½	.	...	Fraser Cos.	....	(10½ bid	13 asked)		
14	5¾	.	...	Do. Vot. Tr.	100	12½	12½	12	12
.50	.50	.	...	Freiman	....	(.50 bid	— asked)		
55	41	‡3	...	Do. pref.	....	(50 bid	— asked)		
9¾	4¾	‡55c	..	Gatineau Pwr.	335	4¾	4¾	4¾	4¾
90	69	5	6.8	Do. pref.	15	73	73	72	72
95½	75	5.50	7.2	Do. 5½% pref.	....	(78½ bid	80 asked)		
1.25	.15	.	...	Do. Rights	....	(— bid	.25 asked)		
7½	4½	50c	...	Gen. St. Wares.	170	6	6	5½	6
94	86	7+27c	8	Do. pref.	30	91	91	91	91
80	65	2.50+1.50	6	Goodyear T.	....	(— bid	64 asked)		
56	50	1.50	4.9	Do. pref.	438	52½	51	50	51
67	67	‡7	..	Gould Pumps	....	(— bid	— asked)		
4	2½	.	...	Gt. Lakes Pap.	....	(1½ bid	3¾ asked)		
16	16	1.50	...	Do. pref.	....	(— bid	17 asked)		
3½	1¾	.	...	Do. Vot. tr. c.	8	2	1¾	1¾	1¾
19¾	12	1.50	...	Do. Vot. tr. p	6	15	14	14	14
5½	1¾	.	...	Gt. W. Saddlery	....	(— bid	5½ asked)		
31	25	‡5.25	...	Do. pref.	....	(27½ bid	33 asked)		
11¾	9	60c	5.4	Greening Wire.	....	(10½ bid	11 asked)		
§1.25	1.25	10c	...	Growers' Wine.	....	(— bid	— asked)		
4½	2½	.	...	Gurd, Chas.	....	(— bid	3 asked)		
§107½	106½	.	...	Do. pref.	....	(— bid	90 asked)		
4½	2	.	...	Gypsum, Lime.	130	3½	3½	3½	3½
				H, I					
17	16½	1	...	Halifax Fire	....	(— bid	— asked)		
5½	2¼	.	...	Ham. Bridge	75	3½	3½	3½	3½
36	34½	2+2▴	5½	Ham. Cot., pf.	....	(35 bid	37 asked)		
1.50	50	.	...	Ham. U. Theat.	....	1.25 bid	1.70 asked		
75	65	5	6.7	Do. pref.	....	(72 bid	85 asked		
3¾	2½	20+10c	..	Harding Carpet	....	(— bid	3¾ asked)		
.25	.25	.	...	Hillcrest Coll.	....	(.25 bid	1.00 asked)		
4	2	.	...	Do. pref.	....	(2½ bid	— asked)		
12¼	8½	‡62½c	..	Hinde & Dauch	10	12	12¼	12¼	12¼
•20	20	.	...	Holt Renfrew	....	(— bid	— asked)		
35	35	.	...	Do. pref.	....	(40 bid	45 asked)		
17¼	14	2	14.2	Honey Dew	....	(15 bid	18 asked)		
16	10½	.	...	H. Smith Pap.	....	(12¾ bid	14 asked)		
104	94	6	6	Do. pref.	35	99½	100	100	100
18	10	1	10	Humberstone S.	....	(9¾ bid	10½ asked)		
8½	3½	.	...	Hunts (A)	....	(— bid	8½ asked)		
8½	2	.	...	Do. (B)	....	(— bid	7 asked)		

Range High	Low	Div R'te	Y'ld		Sales	Last Dec. 20	H	L	Cl'se
8	3¾	.	...	Do. pref.	191	7½	8	6½	7¾
85	73½	7	8.9	Wood A. & J. p	....	(75 bid	78 asked)		
60	45	.	...	Woods Mfg. pf.	....	(45 bid	— asked)		
5½	4	40c	...	York Knitting.	....	(4½ bid	5 asked)		
•100	100	7	7	Do. 1st pref.	....	(— bid	— asked)		
13	8½	80c	7.3	Zellers	60	11¾	11½	11	11
25½	23½	1.50	6	Do. pref.	100	25	24¾	24¾	24¾

Quotations: § 1940. • 1939. * 1938.
▴ On account of arrears.
▪ Participating. ‡ Paid or payable in 1941 to date.
b Plus $1.25 paid in new 5% pref. stock.
* Paid in 1941 after corporate income tax.
† Payable 25c Dec. 18, 1941; 25c June 18, 1942.

Mining Stocks

Week Ending December 29

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 20 (or last)	High for week	Low for week	Close Dec. 27
			A					
No	.24	.05	Aldermac	750	.13	.13	.13	.13
1	.01½	.00½	Amm. Gold	......	(.00½ bid	.01¼ asked)		
No	3.15	1.90	Anglo-Huronian	400	2.56	2.40	2.35	2.35
No	.40	.30	Argus Interests	......	(.35 bid	.50 asked)		
No	*.03	.01	Arno	......	(.... bid	.01½ asked)		
1	.11	.03¾	Arntfield	6,500	.07½	.08¼	.08	.08¼
1	.06½	.03¾	Ashley	......	(.04 bid	.05½ asked)		
1	.05	.02	Astoria Quebec	......	(.01½ bid	.04 asked)		
1	2.45	1.45	Aunor Gold	......	(1.45 bid	1.47 asked)		
			B					
1	.16½	.05	Bagamac	1,000	.10	.06	.06	.06
1	.08	.03	Bankfield	11,000	.03½	.03½	.03½	.03½
No	.14	.05	Base Metals	......	(.08 bid	.09½ asked)		
1	.15	.04½	Bear Exploration	13,500	.04½	.04½	.04½	.04½
1	1.24	.93	Beattie Gold	300	.95	.95	.95	.95
1	.09	.03½	Beaufor	......	(.... bid	.05 asked)		
1	1.00	.90	Berens River	......	(.60 bid	1.00 asked)		
1	.15	.07	Bidgood Kirk.	5,700	.09½	.10	.09½	.09½
1	.11	.05	Bobjo	2,500	.07	.07	.06	.06
1	.59	.23	Bonetal Gold	1,200	.27	.23	.23	.23
1	.03	.00½	Bouscadillac G.M.	......	(.01½ bid	.02 asked)		
No	11.63	9.10	Bralorne	640	9.25	9.25	9.10	9.10
1	.03	.02½	Brazil Gold	......	(.... bid	.02½ asked)		
1	.01½	.00½	Brett Trethewey	......	(.00¾ bid	.00¾ asked)		
1	1.10	.56	Broulan Porc.	3,800	.59	.60	.58½	.58½
1	5.95	2.75	Buffalo Ankerite	400	2.80	2.80	2.75	2.75
No	.06	.02	Buffalo Can.	2,500	.02	.02½	.02½	.02½
5	19.00	9.50	Bulolo Gold	675	10.25	10.00	9.50	9.50
No	.03	.01	Bunker Hill	......	(.01 bid	.02 asked)		
			C					
1	.10	.05	Camp Bird	700	.10	.08	.05	.08
No	.63	.42	Can. Malartic	1,300	.44	.48	.45	.45
1	2.91	1.60	Cariboo Gold	400	1.75	1.75	1.72	1.72
1	.02½	.01	Cartier Malartic	......	(.... bid	.01 asked)		
1	.60	.40	Castle Trethewey	20	.53	.45	.45	.45
1	.08	.05	Cen. Cadillac	2,000	.05	.05	.05	.05
1	.01¼	.01¼	Cen. Manitoba	......	(.... bid	.... asked)		
1	1.95	1.31	Cen. Patricia	1,200	1.43	1.34	1.31	1.32
1	.21	.07	Cen. Porcupne	2,500	.08	.07½	.07½	.07½
1	.18¼	.15	Century Mining	......	(.... bid	.14 asked)		
1	1.87	1.10	Chesterville	3,729	1.45	1.48	1.41	1.48
No	2.40	1.10	Chromium	100	2.25	1.50	1.50	1.50
5	1.35	.50	Coast Copper	......	(.... bid	.95 asked)		
1	1.04	.45	Cochenour Willans	1,700	.51	.51	.50	.50½
5	1.55	1.00	Coniagas	......	(1.15 bid	1.40 asked)		
No	1.55	.90	Coniaurum	1,500	.92½	.90	.90	.90
5	41.37	31.50	Cons. Smelters	1,241	37.50	38.00	37.63	38.00
			D, E					
1	1.24	.65	Delnite	......	(.60 bid	.70 asked)		
1	.07½	.02½	Denison Nickel	......	(.03 bid	.04 asked)		
No	25.00	15.50	Dome Mines	1,470	16.00	16.37	15.50	16.37
1	.16¾	.08	Duquesne	10,400	.08¼	.08¼	.08	.08¼
1	2.05	1.91	East Malartic	3,100	1.93	2.07	2.00	2.07
1	.52	.30	Eldorado	12,600	.62½	.35	.33	.33
			F, G					
No	3.90	1.92	Falconbridge	600	3.00	3.10	3.00	3.10
1	.06	.02½	Federal	......	(.02½ bid	.02½ asked)		
1	.06½	.01¾	Fernland	......	(.01¾ bid	.01¾ asked)		
No	.63	.30	Francoeur Gold	2,900	.33	.35	.30	.30
1	.08½	.03	Gillies Lake	......	(.03½ bid	.04½ asked)		
1	.02	.01	Glenora	4,000	.01¼	.01	.01	.01
No	.41	.18	God's Lake	200	.18	.18	.18	.18
1	.16½	.09½	Goldale	1,000	.10½	.09½	.09½	.09½
50c.	.29	.20	Gold Belt	......	(.15 bid	.... asked)		
1	.10	.02½	Gold Eagle	29,300	.03¼	.04	.03¼	.04
1	.13	.03¾	Golden Gate	3,000	.03¾	.03½	.03¾	.03½
1	.02	.00½	Goodfish	3,000	.01	.01	.01	.01
1	.02¾	.01¾	Graham Bosquet	......	(.02 bid	.02¾ asked)		
No	.06½	.03½	Grandora	......	(.04 bid	.05¼ asked)		
1	.01½	.01½	Grull Wihksne	......	(.01¾ bid	.... asked)		
1	.38	.10	Gunnar Gold	1,000	.11½	.11½	.10½	.10½
			H, I, J					
1	.09¾	.02½	Halcrow Swayze	1,000	.03	.03	.02½	.02½
1	.01¾	.00¾	Halliwell Gold	500	.01	.00¾	.00¾	.00¾
1	5.40	2.25	Hallnor Mines	1,100	2.50	2.50	2.25	2.25
1	1.10	.45	Hard Rock	5,100	.45½	.50	.45	.50
1	.08	.02½	Harker	600	.03	.03	.02½	.02½
1	.58	.43	Hedley Mascot	......	(.... bid	.50 asked)		
5	13.12	9.80	Hollinger	3,325	10.25	10.25	9.85	10.00
1	.30	.18	Howey Gold	400	.18½	.18½	.18	.18
No	30.50	23.50	Hudson Bay	2,820	27.50	28.50	26.25	27.75
1	.68	.20	Inspiration	1,500	.29	.25	.25	.25
No	38.25	29.25	Int. Nickel	2,243	32.00	34.50	32.50	34.50
50c.	1.30	.85	Island Mountain	......	(1.00 bid	.... asked)		
1	.02½	.00½	Jacola	......	(.01 bid	.01¾ asked)		
1	.27	.10	Jack Waite	100	.15	.16	.16	.16
1	.46	.26	Jason Mines	880	.30	.27	.26	.27
1	.03¾	.01	Jellicoe	......	(.02 bid	.03 asked)		
1	.01¾	.00¼	J. M. Cons. Gold	......	(.... bid	.01 asked)		
1	.03	.01	Joliet Quebec	......	(.01 bid	.02¾ asked)		
			K, L					
1	4.90	3.05	Kerr Addison	10,848	4.00	4.30	3.95	4.30
1	.41	.15	Kerr Lake	......	(.12 bid	.... asked)		
1	.05	.01	Kirk. Gold Rand.	......	(.02½ bid	.05 asked)		
1	.42	.15	Kirk. Hud. Bay	......	(.24 bid	.30 asked)		
1	1.05	.52	Kirkland Lake	10,200	.55	.55½	.52	.52
1	21.00	10.50	Lake Shore	831	11.25	11.50	10.50	11.00
No	5.15	3.50	Lamaque Gold	410	4.05	4.05	3.75	3.75
1	.15	.06	Lapa Cadillac	4,000	.08	.08	.08	.08
1	.02½	.01	Lebel Oro	......	(.01¼ bid	.01¾ asked)		
1	.60	.39	Leitch Gold	100	.40½	.42	.42	.42
No	2.10	1.25	Little Long Lac	1,850	1.30	1.35	1.25	1.35
			M					
1	4.35	2.65	Macassa	2,400	2.85	2.87	2.65	2.70
1	2.35	1.49	MacLeod Cockshutt	13,086	1.65	1.65	1.53	1.53
1	.76	.48	Madsen Red Lake	600	.49	.48½	.48½	.48½
1	2.96	.85	Malartic Gold	7,800	2.10	2.10	2.07	2.10
No	.13	.04	Mandy	3,200	.09	.13	.12	.13
No	.01	.00½	Man. & Eastern	......	(.00½ bid	.00¾ asked)		
1	.04	.01	Maralgo	1,500	.02	.01½	.01½	.01½
5	52.25	41.00	McIntyre	560	44.50	45.00	44.00	44.00
1	1.32	.94	McKenzie R.L.	2,340	.95	1.04	.95	.99
1	.24	.02½	McLellan Gold	1,000	.03	.02½	.02½	.02½
1	.09	.04	McVittie Graham	5,000	.05	.04½	.04½	.04½
No	.25	.10	McWatters	......	(.08½ bid	.11 asked)		
5	.20	.15	Mentor Exploration	......	(.15 bid	.42 asked)		
No	1.75	.55	Mining Corp.	1,000	1.20	1.25	1.20	1.25
1	*.05	.05	Moffatt Hall	......	(.01 bid	.... asked)		
1	.55	.26	Moneta	2,400	.27	.28½	.27	.28
1	.07	.02	Murphy	......	(.... bid	.06½ asked)		
			N, O					
1	.31	.20	Naybob	1,700	.20	.21½	.20	.20
1	.75	.45	Negus	......	(.40 bid	.50 asked)		
1	.03	.00½	New Golden Rose	......	(.01 bid	.01½ asked)		
5	1.37	.75	Nipissing	300	.90	.98	.98	.98
No	58.00	45.50	Noranda	1,279	47.00	47.00	45.50	45.75
No	.53	.15	Nor. Canada	......	(.25 bid	.30 asked)		
1	.04	.02½	Norgold	1,000	.03½	.03½	.03½	.03½
No	.99	.25	Normetals	3,420	.80	.85	.75	.83
1	5.00	3.75	Northern Empire	......	(2.50 bid	4.00 asked)		
1	1.88	.50	O'Brien	3,310	.80	.84	.80	.84
1	.18	.05	Omega	2,800	.05	.06½	.06½	.06½
1	.15	.07½	Ontario Nickel	30,200	.08	.08¼	.08	.08¼
1	.09	.04	Osisko	......	(.04 bid	.... asked)		
			P, Q, R					
No	1.65	.80	Pamour	450	.85½	.86	.80	.85
1	.08½	.02	Pandora	1,465	.04	.04	.04	.04
1	3.15	2.25	Pato Cons. G.	......	(2.75 bid	3.00 asked)		
1	.05	.02	Partanen Mal.	10,000	.02¼	.02	.02	.02
1	.01	.00½	Pawnee Kirk	......	(.00¾ bid	.00¾ asked)		
1	.28	.12	Paymaster	4,000	.12	.16½	.15	.16½
1	2.10	1.00	Pend Oreille	100	1.46	1.50	1.50	1.50
1	1.69	1.25	Perron Gold	600	1.32	1.34	1.32	1.32
1	3.10	2.25	Pickle Crow	1,940	2.35	2.40	2.30	2.36
1	2.55	1.90	Pioneer Gold B.C.	2,550	2.05	2.00	1.90	1.90
1	9.50	8.37	Placer Devel.	25	9.00	8.37	8.37	8.37
1	1.17	.50	Powell Rouyn	500	.80	.75	.75	.75
1	.95	.52	Premier Gold	28,100	.52	.56	.55	.56
1	3.60	2.70	Preston E. Dome	19,500	2.90	2.95	2.85	2.85
No	.20	.15	Prospectors Air's.	......	(.15 bid	.... asked)		
1	.30	.20	Quebec Gold	......	(.30 Dec. 9)			
1	.62	.23	Queenston Gold	2,055	.28	.30	.23	.23
No	.05	.02	Quemont	......	(.04 bid	.... asked)		
No	.04	.01	Red Crest	......	(.... bid	.... asked)		
1	.30	.10	Reeves McDonald	......	(.10 bid	.... asked)		
1	.13½	.09	Reno Gold	3,800	.13	.13½	.11	.11
1	.05	.02	Roche Long Lac	......	(.02½ bid	.04 asked)		
			S, T, U, V, W, Y					
1	2.65	1.90	San Antonio	2,598	1.95	1.95	1.90	1.95
1	.07½	.01½	Sand River	500	.02½	.02½	.02½	.02½
1	.59	.15	Senator Rouyn	5,000	.16	.16	.15	.15
1	.04	.01	Shawkey	500	.01	.01	.01	.01
50c.	1.00	.73	Sheep Creek	300	.88	.85	.85	.85
1	1.15	.60	Sherritt Gordon	8,014	.85	.85	.80	.85
1	8.90	6.00	Sigma Mines	......	(6.00 bid	7.00 asked)		
1	.69	.45	Siscoe	3,470	.50	.50	.45	.45
1	.47	.15	Sladen Malartic	3,900	.30	.30	.29½	.30
1	.19½	.06	Slave Lake	10,700	.07	.07	.06¾	.07
1	.15	.03½	St. Anthony	13,000	.04½	.04½	.03½	.03½
No	2.09	.81	Steep Rock	3,200	1.69	1.75	1.65	1.75
No	.04½	.01½	Straw Lake	......	(.... bid	.01½ asked)		
1	.24	.09½	Sturgeon River	4,000	.11½	.11½	.10	.11
No	1.90	1.10	Sudbury Basin	4,300	1.35	1.45	1.40	1.45
1	.05½	.01½	Sudbury Contact	750	.03	.02½	.02	.02½
1	.80	.50	Sullivan Cons.	5,000	.61	.63	.60	.60
1	2.95	1.85	Sylvanite	1,645	1.90	2.00	1.89	1.89
1	3.75	2.10	Teck Hughes	7,270	2.15	2.18	2.10	2.12
1	.08¼	.03	Temiskaming	500	.03½	.03½	.03½	.03½
1	1.80	1.00	Toburn Gold	400	1.10	1.08	1.05	1.05
1	.22	.08	Towagmac	400	.11	.10½	.10	.10
No	.50	.20	Trans. Resources	200	.40	.40	.40	.40
1	.30	.04½	Uchi Gold	1,500	.05	.05½	.05	.05½
.	84.00	38.00	Do., Bonds	$1,000	38.00	38.00	38.00	38.00
1	2.28	1.00	Upper Canada	1,200	1.04	1.12	1.07	1.07
No	4.90	2.75	Ventures	2,282	3.55	3.80	3.50	3.60
No	5.15	3.00	Waite Amulet	1,525	4.20	4.40	4.35	4.35
1	.26	.10	Wendigo	3,500	.11	.13½	.12	.12
1	.02½	.01	Wiltsey Coughlan	......	(.01 bid	.01¾ asked)		
1	.10	.04	Wood Cadillac	5,000	.05	.05	.04	.04
No	7.05	2.25	Wright-Hargreaves	2,260	2.55	2.70	2.55	2.65
No	.08	.03	Ymir Girl	2,500	.03½	.03½	.03	.03

Oil Stocks

Par Val.	High	Low	Company	Sales	Close Dec. 20	High	Low	Close Dec. 27
No	.11¼	.04	Acme Gas Oil	1,000	.06½	.06½	.06½	.06½
1	.09	.06	Alta. Pac. Cons.	......	(.06¾ bid	.07½ asked)		
1	.18	.10	Ajax	......	(.12 bid	.16 asked)		
No	.81	.46	Anglo Canadian	300	.54	.54	.50	.50
No	.17½	.05	Br. Dominion	69,450	.12	.17	.12	.17
No	.12	.05½	Brown Oil	......	(.05½ bid	.07 asked)		
No	1.49	1.05	Calgary Ed.	800	1.19	1.17	1.13	1.17
1	.26	.10	Calmont	......	(.15 bid	.17 asked)		
No	.28	.18	Commoil	......	(.21 bid	.... asked)		
No	.30	.19	Common Pete	1,200	.28	.26	.26	.26
No	.32	.20	Dalhousie	......	(.20½ bid	.22 asked)		
No	.17½	.11½	Davies Pete	500	.16½	.17	.17	.17
No	.05	.02½	East Crest	......	(.02½ bid	.03½ asked)		
No	.30	.20	Federated Pete	......	(.... bid	.25 asked)		
No	.84	.40	Foothills	150	.70	.70	.60	.60
No	*.08	.04	Hargal	......	(.... bid	.14 asked)		
No	.18½	.06	High Sarcee	300	.16	.18	.17	.18
No	2.67	1.50	Home	4,275	2.50	2.55	2.40	2.50
1	.03	.01¼	Homestead O. & G.	......	(.01¾ bid	.02½ asked)		
No	.08	.04	McD. Segur	......	(.... bid	.05½ asked)		
1	.20	.15	Model	......	(.16 bid	.20 asked)		
25c.	.05	.04	National Petroleum	......	(.04 bid	.05 asked)		
1	.06	.01	Nordon	3,000	.03½	.03½	.03½	.03½
No	.02¾	.01½	Oil Selections	500	.02	.02	.02	.02
No	.78	.35	Okalta	......	(.35 bid	.45 asked)		
No	.04½	.02	Pacalta	......	(.02 bid	.02½ asked)		
1	.27	.15	Pacific Petroleum	......	(.... bid	.... asked)		
No	.30	.25	Petrol Oil & Gas	......	(.30 bid	.50 asked)		
No	25.00	16.50	Royalite	25	20.00	20.00	19.87	19.87
No	.30	.10	South West Pete.	......	(.15 bid	.25 asked)		
No	.04	.01	South End	3,000	.02½	.02½	.02½	.02½
5	1.35	.75	Texas Can.	20	1.35	1.25	1.25	1.25
No	.06	.02	United Oils	500	.03	.03½	.03½	.03½
1	.06	.01	Vermilata	1,000	.05	.04	.03½	.04
1	.34	.20	Vulcan	......	(.17 bid	.22 asked)		

Vancouver Stocks

Par Val.	High	Low	Company	Sales	Close Dec. 20	High	Low	Close Dec. 27
1	.05	.03½	Bayonne	......	(.04½ bid	.05 asked)		
No	11.90	9.00	Bralorne	885	9.30	9.50	9.00	9.50
1	.00½	.00½	Bridge River Cons.	......	(.00½ Dec. 1)			
1	2.91	1.75	Cariboo Gold	150	1.75	1.90	1.75	1.75
No	.01½	.00½	Dentonia	......	(.00¾ bid	.00¾ asked)		
No	.01½	.00½	Fairview Amal.	......	(.00½ bid	.01 asked)		
1	.15	.10	George Copper	......	(.12½ bid	.... asked)		
1	.08½	.03½	Golconda	2,000	.05½	.04½	.04½	.04½
50c.	.32	.18	Gold Belt	1,000	.18	.18	.18	.18
50c.	.20	.10	Grandview	100	.15½	.15½	.15½	.15½
1	.03	.01	Grull Wihksne	4,900	.02	.02½	.02½	.02½
1	.60	.33	Hedley Mascot	500	.35	.35	.35	.35
No	.00½	.00½	Home Gold	......	(.... bid	.... asked)		
1	.01	.00½	Indian Mines	......	(.01 bid	.... asked)		
50c.	1.27	.75	Island Mountain	......	(1.00 bid	1.10 asked)		
1	.35	.27	Inter'tl Coal	......	(.27½ bid	.... asked)		
50c.	.28	.20	Kootenay Belle	......	(.20 bid	.25 asked)		
1	.25	.20	McGillivray Creek	......	(.20 bid	.25 asked)		
No	.03	.00¾	Minto Mines	......	(.01½ bid	.02 asked)		
50c.	.02	.00¾	Nicola	......	(.01½ bid	.02 asked)		
1	.10	.03½	Pacific Nickel	100	.08	.08	.08	.08
1	2.00	1.26	Pend Oreille	......	(1.47 bid	.... asked)		
1	2.55	1.95	Pioneer Gold	840	2.10	2.05	1.95	1.95
No	.03½	.01½	Premier Border	......	(.01½ bid	.01¾ asked)		
1	.97	.57	Premier Gold	3,000	.59	.58	.57	.58
No	.63	.44	Privateer Mines	400	.46	.46	.46	.46
1	.02½	.01½	Quatsino Copper	......	(.01½ bid	.... asked)		
1	.37	.10	Reeves McDonald	200	.24	.25	.25	.25
1	.13½	.10	Reno Gold	6,400	.13	.13½	.13	.13½
1	*.06½	.04	Sally Mines	......	(.... bid	.... asked)		
50c.	.02½	.01	Salmon Gold	......	(.00½ bid	.01 asked)		
50c.	1.00	.72	Sheep Creek	1,900	.85	.85	.83	.85
1	.85	.65	Silbak Premier	......	(.... bid	.75 asked)		
No	.00¾	.00¾	Silvercrest	......	(.... bid	.... asked)		
1	*.05	.05	Sunloch	......	(.... bid	.... asked)		
50c.	.15	.07½	Surf Inlet	......	(.07½ Dec. 12)			
No	.03	.02	Taylor Bridge	......	(.... bid	.... asked)		
20c.	.00¾	.00¾	Wellington	......	(.... bid	.... asked)		
50c	*.00¾	.00¾	Wesko	......	(.... bid	.... asked)		
1	.02	.00¾	Whitewater	5,000	.00¾	.02	.01½	.02
No	.08	.03½	Ymir Yankee Girl	......	(.03¾ bid	.... asked)		

Oil Quotations

Par Val.	High	Low	Company	Sales	Close Dec. 20	High	Low	Close Dec. 27
1	.09½	.05	Alta. Pac. Cons.	......	(.06 bid	.... asked)		
No	.83	.46	Anglo Canadian	......	(.50 bid	.... asked)		
No	.08½	.03½	Anaconda	......	(.03 bid	.... asked)		
No	.15	.04	Brit. Dominion	......	(.... bid	.... asked)		
No	.07½	.05	Brown Oil	......	(.... bid	.... asked)		
No	1.50	1.01	Calgary Ed.	675	1.15	1.15	1.15	1.15
1	.26	.12	Calmont	......	(.15 bid	.17 asked)		
No	.28	.18	Commoil	......	(.20 bid	.23 asked)		
No	.28	.19	Commonwealth	......	(.25 bid	.27 asked)		
No	.30	.20	Dalhousie	......	(.20 bid	.... asked)		
No	.17	.13½	Davies Pete	......	(.14 bid	.... asked)		
No	.04	.02	East Crest	......	(.02 bid	.04 asked)		
No	.36½	.21	Federated Petroleum	......	(.... bid	.... asked)		
No	.85	.41	Foothills	......	(.66 bid	.... asked)		
No	.18	.07	High Sarcee	......	(.18 bid	.20 asked)		
No	2.66	1.50	Home Oil	1,520	2.53	2.50	2.35	2.50
No	.01½	.01	Madison	......	(.... bid	.01½ asked)		
No	.02	.01	Marjon Oil	4,000	.01	.01	.01	.01
No	.07	.04	McD. Segur Ex.	......	(.04 bid	.... asked)		
No	.05	.02	Mercury	......	(.... bid	.... asked)		
No	.09	.04	Mill City Pete	......	(.06½ bid	.... asked)		
1	.20	.12	Model	500	.18	.18	.18	.18
25c.	.05½	.04	National Pete	......	(.04 bid	.... asked)		
1	*.05	.04	Nordon	......	(.03 bid	.... asked)		
No	.75	.40	Okalta	......	(.35 bid	.... asked)		
No	.04	.02	Pacalta Oil	......	(.02½ bid	.03 asked)		
1	.26	.18	Pacific Petroleums	......	(.15 bid	.... asked)		
No	.15	.04	Royal Canadian	......	(.03¾ bid	.... asked)		
No	*.10½	.06	Royal Crest	......	(.... bid	.... asked)		
No	25.00	17.12	Royalite	......	(19.00 bid	.... asked)		
No	.03	.01	South End	5,000	.02½	.03	.03	.03
No	.25	.10	Southwest Pete	......	(.15 bid	.... asked)		
1	.05½	.02½	Spooner	......	(.02 bid	.... asked)		
25c.	.14	.10	Sunset Oil	......	(.09 bid	.... asked)		
No	.06	.03	United	......	(.03 bid	.05 asked)		
No	.04½	.03	Vanalta	1,000	.03½	.03½	.03½	.03½
1	.38½	.20	Vulcan	......	(.20 bid	.25 asked)		

* Quotations for 1940.

Winnipeg Stocks

(Transactions from Dec. 22 to Dec. 27)

	Sales	High for period	Low for period	Close Dec. 27
Forty-Four	568	.15	.15	.15
United Grain Growers	11	11.00	11.00	11.00
Western Breweries	500	2.00	2.00	2.00

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, pf.	..	38
Beav. Lumber, p	103	..	Grouped Inc.	..	4⅝
Do., com.	3	3½	Home Invest.	16¼	..
Can. Indemnity	150	..	Nor. C. Mtge. un	5½	..
Can. Airways	1	..	Nor. Mtg. pt. pd.	1	..
Corr. P. Box	60	..	Nor. Trusts	7	7½
Cres. Cream., p.	..	15	Traders Bldg.	44	..
Dom. Envelope	8	9½	West. Grain, p.	..	7
Do., pref.	99½	100	West. Steel	9¼	10
Fed. Grain, c.	.35	1.25			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	*Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Dec. 30	10,100	7,200	215,000	......
Dec. 29	11,200	4,200	280,000	......
Dec. 27	7,100	2,500	81,000	3,750
Dec. 26	5,300	1,200	125,000	......
Dec. 25	Holiday			
Dec. 24	2,900	1,100	73,000	10,918

Government Bonds

(Supplied by Investment Dealers Assoc. of Canada)

Dec. 30, 1941

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
1½	May '42	100¼	100⅜	...
2	June '42	100½	101	...
3	Oct. '42	101⅞	102¼	.45
2½	June '43	101½	102	1.11
5	Oct. '43	105⅞	106¼	1.53
2	June '44	100⅞	101¼	1.48
a2½	Jan. '44	98¼	98¾‡	2.90
4½	Oct. '44	107	107⅜	1.69
2½	Nov. '44	101⅞	102¼	1.62
a2½	Aug. '45	98	98½‡	2.94
a4	Oct. '45	103⅞	104¼	b1.50
2	Mar. '45	100½	101	1.68
2	Dec. '46	98¾	99¼	2.16
4½	Feb. '46	109	109⅜	2.02
3½	June '49	102⅞	103¼	b2.42
3½	Oct. '49	102½	103	b2.40
3½	Nov. '51	101½	102	b2.93
3½	Feb. '52	101½	102¼	3.00
5	May '52	100⅞	‡101½	b1.93
4	Oct. '52	105⅞	106⅞	b2.80
3	June '51	99½	100	3.09
3	Oct. '52	98¾	99¼	3.05
3	June '55	99	99½	3.02
4½	Nov. '56	106½	107½	b2.85
4½	Nov. '57	107½	108¼	b2.90
3	June '58	99	99½	3.02
4½	Nov. '58	108½	109½	b2.97
4½	Nov. '59	109½	110½	b3.00
a4	Oct. '60	104½	105‡	b3.34
a3½	Jan. '61	97½	98‡	3.39
3½	June '66	101½	101⅞	b3.10
a3e	Jan. '67	94½	95‡	3.30
a3e	Nov. '68	94½	95‡	3.28
†3	Perpet'l.	94¾	95½	3.14

Dominion Guarant'd Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100½	101½	.92
2½	Jan. '46	100½	101½	1.93
3	May 44	102⅞	103½	1.51
3	Dec. '50	99	100	3.00
3	Feb. '53	98½	99½	3.08
3	Jan. '59	98½	99	3.08
*4½	Sept. '51	115½	116½	2.61
*4½	Feb. '56	116½	117½	2.98
4½	July '57	116½	117½	3.07
4½	June '55	118½	119½	2.98
5	Feb. '54	117½	118½	3.16
*5e	July '69	114½	115½	b.73
*5e	Oct. '69	119½	121	b2.60
*5e	Feb. '70	119	121	b2.67

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '62	100	102	2.87

Provincial Gov't. Bonds

%	Due	Bid	Ask.	Approx. Yld.
New Brunswick:				
3	Oct. '51	91	93	3.85
3½	Aug. '49	93½	95½	3.93
3½	June '56	93	95	3.96
c4	Nov. '47	99	102	b3.45
c4½	Apr. '61	103	105	4.12
c5	Jan. '60	109	112	4.05
Nova Scotia:				
3	Jan. '52	95½	97½	3.29
3½	June '56	96	98	3.42
3½	Nov. '50	99½	101½	3.30
c4½	Sept. '52	106	108	b2.97
c4½	Nov. '60	111	113	3.55
c5	Mar. '60	117½	119½	3.54
Ontario:				
2½	May '45	100	101	2.20
3	Apr. '48	99½	100½	b2.88
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	99⅞	100⅞	b3.14
3½	May '55	99⅞	100⅞	b3.17
*4	June '62	108	110½	3.29
4½	June '50	108	109½	3.22
*4½	Jan. '62	114	117	3.33
5	Oct. '48	110	111	3.07
*5	Dec. '60	120	122	3.42
5½	July '46	109	110½	3.01
Ont. Hydro Commission:				
3	Aug. '48	99½	100½	b2.88
3½	Feb. '53	99½	100½	b3.18
3½	Apr. '47	101½	103	2.89
Prince Edward Island:				
4	Mar. '54	100	102	3.80
Quebec:				
3	Nov. '47	97½	99	3.20
3½	Mar. '48	97½	99½	3.34
3½	Mar. '59	96½	98	3.65
4	Nov. '52	101½	103	b3.60
3½	Feb. '55	99½	101	b3.85
4½	Aug. '58	103	105	3.85
4½	Jan. '63	107½	109½	3.84
Alberta:				
4	Dec. '54	55	59	d
4½	Oct. '51	67	..	d
4½	Oct. '56	57	61	d
*5	Oct. '59	61	65	d
c5½	Apr. '52	64	68	d
6	Mar. '47	70	72	d
British Columbia:				
c4	Dec. '57	100	102	3.83
*4½	Jan. '51	103½	105½	3.77
e4½	Oct. '53	103½	105½	3.92
c5	Apr. '54	109	111	3.88
5½	Feb. '45	103	105	3.76
6	Feb. '47	106	107½	4.36
Manitoba:				
c4	Dec. '57	93	96	4.35
c4½	Dec. '56	96	99	4.50
*5	Dec. '59	97	100	5.00
5½	Oct. '55	98	101	5.40
6	Apr. '47	99	102	5.55
Saskatchewan:				
4	Sept. '54	75	78	6.53
4	Nov. '60	75	78	5.95
c4½	Oct. '51	87	90	5.86
c4½	Mar. '60	83	86	5.74
5	Aug. '58	86	89	6.05
5½	Oct. '52	91	93	6.40
6	Mar. '52	93	95	6.68

*–Payable Can., N.Y. and £. b–Calculated to call date giving lowest possible yield. c–Payable Can. & N.Y. a–Payable N.Y. †–Callable on or after Sept. 15, 1966. d–Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e–Callable at a premium. ‡–N.Y. funds. ♦Calculated to 1950 average maturity.

Unlisted Mines

Toronto, Dec. 29, 1941

	Bid	Ask
Albany R		
old	.03	.05
new	.08	.10
Amal Kir	.05	.06
Anoki	.02	.04
Aquarius	.15	.20
Arjon	.03½	.04½
Armistice	.06	.08
Argosy	.05	.08
Area	.02½	.03½
Athona		
old	.00½	.02
new	.01	.02
Barber L	.02½	.03½
Brock	.05	.06½
Calder B	.02	.03
Can Rad	.07	.09
Cent Man	.01½	.02½
Cheminis	.03½	.04
Coin Lake	.02½	.03½
Cons Chib	.04	.06
Crosscourt	.03	.05
Dayton	..	.01½
Delphine	.03	.05
Demp C	..	.00½
De Santis		
new	.07	.12
Dona Pat	.01	.01½
Eastward	.06	.08
Elmos	.04	.07
Franco	.25	.30
Galore	.00½	.01½
Goodrock	.15	.17
Gilbec	.00½	.01
Hayes C	.02½	.03½
Hoyle n	.11	.13
Hugh Pam	.03	.05
Hutch L	.01	.02
Keora	.01	.02
Kewagama	.01	.03
Kiena	.01	.03
Kir G'way	.00½	.01½
Kir Town	.07	.08½
Lacoma	.00½	.01
Laguerre	.15	.20
L Dufault	.17½	.19
L Geneva	.05	.10
Largold	.20	.23
Lowery P	.14	.18
Lunward	.15	.17
Magnet C	.53	.58
Magnet L	.10	..
Marbenor	.19	.21
Martin B	.01½	.02½
Mascot M	.18	.20
Mat Can	.02	.03
Mat Cons	.14	.18
McMar'c	.23	.26
Moffatt H		
new	.01	.02
Mooshla	.01	.02
Mosher	.08	.10
McManus	.01½	.02½
Nat Mal	.25	.28
New Aug	.20	.24
Nick Off	.80	1.00
Norbeau	.15	.23
Nor 1940	..	.04
Norwin M	.03	.04
New Mal	..	.17
Newbec	.01	.02
N Ribago	.00½	.01
Numalake	.10	.15
Oklend	.02½	.03½
O'Leary M	.03	.04
Opemiska	.04	.08
Orpit	.05½	.06½
Ossian	.00½	.01
Pascalis	.22	.25
Pontiac R		
old	.01½	.04
Pelangio	.01	.02½
Polaris	.01½	.05
Propri'y	3.90	4.05
Presdor	.02½	.03½
Que Man	.15	.16
Rahn Lake	.00¾	.01½
Rand Mal	.11	.12
R L Gold	..	.01½
Ritoria	.01½	.02½
Rouge	.03	.06
S.A.G.A.	..	1.00
Sach R	4.00	4.25
Senore	.01½	.03
Sepha	.13	.15
Shenango		
new	..	.16
Sheldon	.05	.05½
Skynner L	.01	.03
Smelt G	..	.01
Springer	.15	.18
Stadacona	.07	.10
Thom L	.10	.12
Tobico	..	.06
Union Min	.02½	.03½
Wesley	.01½	.03
Young D	.19	.22

Dividends Declared

	This payment	Date payable	Date of record
Argus Interests	4c	Jan. 22	Jan. 3
Alta. Wood Pres. p.	$1.75	Jan. 2	Dec. 23
Anglo-Huronian	10c	Jan. 23	Jan. 9
Barber-Ellis	10c	Jan. 15	Dec. 31
Do., pref.	*$1.75	Jan. 15	Dec. 31
Bathurst P & P., A	25c	Mar. 2	Feb. 13
Biltmore Hats	15c	Jan. 15	Dec. 31
Bell Telephone	$2	Jan. 15	Dec. 23
B. C. Power, A	50c	Jan. 15	Dec. 31
Bralorne Mines	20c	Jan. 15	Dec. 31
Do., extra	10c	Jan. 15	Dec. 31
Brant. Cordage 1st p	32½c	Jan. 15	Dec. 20
B. C. Tele., 2nd pf.	$1.50	Feb. 1	Jan. 17
B. C. Elec. Rly., p.	2½%	Jan. 15	Dec. 31
Calgary Power, p.	$1.50	Feb. 2	Jan. 15
Can. Light & Pr.	50c	Jan. 15	Dec. 26
Canadian Car, p.	44c	Jan. 10	Dec. 20
Can. Pac. Rly. pfd.	2%	Feb. 1	Jan. 1
Can. Bronze	37½c	Feb. 2	Jan. 9
Do., extra	50c	Feb. 2	Jan. 9
Do., pref.	$1.25	Feb. 2	Jan. 9
Can. Fairbanks, p.,	$1.50	Jan. 15	Dec. 31
Can. & For. Secs.	6c	Feb. 2	Jan. 16
Can. Gen. Invest.	12½c	Jan. 15	Dec. 31
Can. Nor. Pwr.	▪15c	Jan. 26	Dec. 31
Do., pref.	▪$1.75	Jan. 15	Dec. 31
Can. Bakeries, pfd.	$2.50	Jan. 15	Jan. 3
Can. Indust., pref.	$1.75	Jan. 15	Dec. 31
Command Oils	2c	Jan. 30	Jan. 10
Can. South. Rly.	$1.50	Feb. 2	Dec. 22
Can. Bk. of Comm.	$2	Feb. 2	Dec. 31
Canada Trust	$3	Jan. 2	Dec. 15
Can. Cel., inc. fd. rts.	$1	Mar. 17	Dec. 31
Can. Ing. Rand, extra	25c	Dec 23	Dec. 18
Can. Int. Tr. Shs.	0.11309	Jan. 2	Coup. 23
Do., modified	0.120968	Jan. 2	Coup. 23
Cockshutt Plow	25c	June 18	June 4
Comm. Alcohols, p.	10c	Jan. 15	Dec. 31
Can. Converters	50c	Jan. 31	Dec. 31
Carnation, com.	†50c	Jan. 2	Dec. 13
Davies Pete.	1c	Jan. 20	Jan. 5
Dominion Tar, pf.	$1.37½	Feb. 2	Jan. 16
Dominion Bank	$2.50	Feb. 2	Jan. 15
Detroit Int. Bridge, c	†25c	Jan. 24	Jan. 3
Dome Mines	▪50c	Jan. 20	Dec. 31
Dom. of C. Gen. Ins.	6%	Jan. 19	Dec. 18
Do., bonus	3%	Jan. 19	Dec. 18
Dom. Textiles, pref.	$1.75	Jan. 15	Dec. 15
East. Steel, c.	$1	Feb. 2	Jan. 15
Do.,	25c	Mar. 2	Feb. 16
Farmers' Tele.	63c	Jan. 30	Dec. 31
Foundation Co.	25c	Jan. 20	Dec. 31
Do., extra	25c	Jan. 20	Dec. 31
Gt. Lakes Power, p.	$1.75	Jan. 15	Dec. 31
Guar. of N. Amer.	$1.50	Jan. 15	Dec. 31
Do., extra	$2.50	Jan. 15	Dec. 31
Gordon & Belyea, p.	$1.50	Jan. 2	Dec 26
Guaranty Tr.	$1.25	Jan. 15	Dec. 31
Gen. Trust of Can. p	$1.25	Jan. 15	Dec. 31
Guard. Realty, p.	▪50c	Jan. 15	Dec. 31
H. Smith Pap., pfd.	$1.50	Jan. 15	Dec. 31
Hudson's Bay, pfd.	2½%	Jan. 1	Dec. 18
Inter. Nickel, pref.	†$1.75	Feb. 2	Jan. 3
Invest. Found. pref.	75c	Jan. 15	Dec. 31
Inter. Milling, pfd.	†$1.25	Jan. 15	Jan. 2
Inter. Metal, pfd.	$1.50	Feb. 2	Jan. 15
Do., pref. A	$1.50	Feb. 2	Jan. 15
Inter. Paints, pfd.	$1	Jan. 12	Dec. 12
Do., arrears	25c	Jan. 12	Dec. 12
Imperial Bank	$2.50	Feb. 2	Dec. 31
Inter. Bronze	▪37½c	Jan. 15	Jan. 3
Do., pref.	▪37½c	Jan. 15	Jan. 3
Lake Dufault M.	*2c	Jan. 20	Jan. 2
Lamaque Gold	▪10c+5c	Feb. 2	Jan. 9
McColl-Front., pfd.	$1.50	Jan. 15	Dec. 31
Moneta Porc.	▪2c	Jan. 15	Dec. 31
Montreal L H & Pr.	38c	Jan. 31	Dec. 31
McManus Pete.	30c	Jan. 3	Dec. 26
Do., pref.	30c	Jan. 3	Dec. 26
Montreal Tele.	43c	Jan. 15	Dec. 31
Maritime Tel.	20c	Jan. 15	Dec. 20
Do., extra	2½c	Jan. 15	Dec. 20
Do., pref.	17½c	Jan. 15	Dec. 20
Melchers Dist., pfd.	30c	Feb. 16	Feb. 2
N. B. Telephone	13c	Jan. 15	Dec. 31
Nat. Steel Car	50c	Jan. 15	Dec. 31
Ottawa Car	20c	Jan. 5	Dec. 31
Power Corp.	▪15c	Feb. 2	Dec. 31
Do., pref.	▪$1.50	Jan. 15	Dec. 31
Do., 2nd pref.	▪75c	Jan. 15	Dec. 31
Preston E. Dome	5c	Jan. 15	Dec. 31
Premier Gold	2c	Jan. 15	Dec. 15
Pato Cons. Gold	10c	Jan. 10	Dec. 20
Quebec Power	25c	Feb. 25	Jan. 26
Rolland Paper, c.	15c	Feb. 13	Feb. 3
Sheep Creek Gold	4c	Jan. 15	Dec. 31
Do., extra	1c	Jan. 15	Dec. 31
Sigma Mines	30c	Jan. 15	Dec. 31
St. Law. Corp., A p.	▪25c	Jan. 15	Jan. 2
South Can. Pwr.	20c	Feb. 16	Jan. 31
Do., pref.	$1.50	Jan. 15	Dec. 20
St. Law. Paper, pfd.	▪75c	Jan. 15	Jan. 2
Shawinigan W.	23c	Feb. 25	Jan. 26
Steel of Can.	75c	Feb. 2	Jan. 7
Do., pref.	75c	Feb. 2	Jan. 7
Sher.-Williams, c.	15c	Feb. 2	Jan. 15
Stand. Radio, A, B	10c	Jan. 10	Dec. 31
Stand. Chemical	50c	Jan. 31	Dec. 31
Scythes & Co.	50c	Jan. 15	Jan. 10
Do., extra	50c	Jan. 15	Jan. 10
Do., pref.	87½c	Jan. 15	Jan. 10
Silbak Premier	4c	Jan. 26	Jan. 5
Teck-Hughes	▪10c	Feb. 2	Jan 9
Tor. Elevators, c.	$1	Jan. 15	Jan. 2
Tuckett Tob., pfd.	$1.75	Jan. 15	Dec. 31
Un. Bond & Share	15c	Jan. 15	Dec. 30
West. Grocers	75c	Jan. 15	Dec. 20
Do., pref.	$1.75	Jan. 15	Dec. 20
Weston, Geo., pref.	$1.25	Feb. 2	Jan. 15
Wood, A. J., p.	$1.75	Feb. 1	Jan. 15
Zeller's	20c	Jan. 31	Jan. 15
Do., pref.	37½c	Jan. 31	Jan. 15

†Payable in U. S. funds
▪Subject to approval of Foreign Exchange Control Board. *Initial.

Municipal Bonds

Dec. 30, 1941

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	114.00	116.00	3.82
Hamilton	5	1950	109.25	112.25	3.35
Montreal	5	1945	92.00	94.00	7.10
Ottawa	4½	1945	104.65	107.15	2.50
†Quebec	5	1959	106.00	108.00	4.35
Saint John	5	1950	103.00	105.00	4.32
†Toronto	4½	1955	110.00	113.50	3.25
†Vancouver	5	1950	103.00	107.00	3.98
Winnipeg	5	1944	102.00	104.00	3.61

†Payable Can. & N.Y.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Can. Bakeries	6½%	1945	Jan. 15	102½
T. Eaton Rlty.	*4%	1951	Jan. 29	100
Dom. Tele Secs.	†5½%	1978	Feb. 2	par

*$250,000. Bonds drawn may be surrendered prior to Jan. 23, 1942, and receive principal amount plus interest to date of surrender. †$4,800.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Dec. 30, 1941

Public Utility Issues:	Int. Rate %	Due	Bid Dec. 30	Asked	Bid Dec. 23
▴†Alg. C. H.B.R.	5	'59	9½	11½	9½
†Assoc. Tel. & T.	5½	'55	65½	68½	65½
B. C. Power	4½	'60	98½	100½	98½
B. C. Tel.	4½	'61	105½	107½	105½
†Calgary Pwr.	5	'60	105½	107½	105
Do.	5	'64	103	...	103
†Can. Nor. Pwr.	5	'53	102	104	101½
*Dom. Gas & El.	6½	'45	99½	102½	99½
Gatineau Pwr.	5	'49	100½	102½	100½
*Do., A	3¾	'69	101	103	101
♦Do., B	3¾	'69	101½	102½	100½
Gt. Lakes Pwr.	4½	'56	100½	102½	101
Do.	5	'57	96½	99½	96½
*Int. Hydro-El.	6	'44	32½	35½	33½
▴Inter. Power	6	'55	101	...	101
L. St. Law. Pwr.	5	'55	100	102	100
Macl'n-Que. Pr.	4	'59	100	102	100
Mtl. L. H. & Pr.	3½	'56	104	106	104
Do.	3½	'73	102	104	102
Do.	3½	'63	103½	105½	103½
†Mtl. Tramways.	5	'41	99	101	99
†Do.	5	'55	74½	77½	74½
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	102	104	102
Ottawa L.H.&P.	4	'57	102	104	102
Ottawa V. Pwr.	5	'59	101½	103½	101½
†Power Corp.	4½	'59	92½	95½	92½
Quebec Pwr.	4	'62	103	105	103
*Saguenay P.	4½	'66	107	...	107
♦Do., B	4½	'66	105½	...	105½
St. Maurice Pr.	4½	'70	103	105	103
Shaw. W. & Pr.	4	'61	103	105	103
Do.	4	'69	103	105	103
Union Gas	4½	'50	102½	104½	102½
*Twin C. R. Tr.	5½	'52	72	75	71½
†United Secs.	5½	'52	44	47	45½
‡Wpg. El. ser. A.	5	'65	79½	82½	80
Do., B	5	'65	64	67	64
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	73	76	73½
Do., C.O.D.	5	'53	73	76	73½
Acadia Sugar	4½	'55	101½	103½	101½
Do.	6	'54	97	100	97
†Alta. Pa. Grain.	6	'46	103½	105½	103½
Algoma Steel	5	'48	102	105	102
Atlantic Sugar	4	'51	101	103	101
†B. C. Pulp & P.	6	'50	93½	96½	92½
‡†Do.	7	'50	115	...	115
*Brown Co.	5½	'46	68½	71½	68½
Burns & Co.	5	'58	72	75	71
Canada Cement	4½	'51	102½	105½	102½
Canada Electric	4½	'65	96½	99½	96½
Can. Paper	4½	'52	101½	...	101½
Can. Steamships	5	'57	100½	102½	100½
Can. Canners	4	'51	101½	103½	101½
*Can. Int. Paper.	6	'49	104½	106½	104½
‡Can. Locomotive	6	'53	100	103	100
‡†Candn. Vickers	6	'47	89½	92½	89
C. P. R.	3½	'51	96	98	96
Do.	4	'49	100	102	100
Do.	6	'42	100	102	100
Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	78½	81½	78
Dom. Coal	4½	'52	101	104	101
Dom. Scott. Inv.	4	'52	98	..	97½
Dom. Stl. & C.	6½	'55	103½	106½	103
Dom. Tar	4½	'51	101	104	101
Dom. Woollens.	6	'53	96½	99½	96½
†Donnacona Pap.	4½	'56	79	82	78½
*Dryden Pap.	6	'49	101	104	101
†East. Dairies	6	'49	80	83	79
Famous Players	4½	'51	98	101	98
†Federal Grain	6	'49	102	104	102
†Fraser Cos.	6	'50	102	104	102
Galt Brass	5	'50	92	..	92
Gen. Stl. Wares	4½	'52	100½	102½	100½
*Gt. L. Paper	5	'55	94	97	93
*Gurney Fdry.	5½	'49	85	89	86
†Gypsum Lime	5½	'48	102	105	102½
Ham. By-Pr. C.	5	'55	102	104	102
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	102½	100½
Inter-City Bak.	5½	'48	102	104	102
Indust. Accept.	4	'52	78½	81½	78½
Ins. Ex. Bldg.	3	'51	45	48	44
*Inter. P. Nfld.	5	'68	98	..	98
*Inv. Bond & Sh.	5	'47	42	45	44
†Kingston Elev.	6	'50	105	108	105
Lake St. J. P.	5½	'61	90½	93½	90½
Do.	5	'61	72½	75½	72
Legare	6	'61	90½	93½	90
Maple L. M.	3	'58	77½	80½	77½
Man. Sugar	5	'60	100	103	100
Massey-Harris	4½	'54	93	96	93
McColl-Fron.	4½	'49	101	104	101
McCormicks	4	'52	97	100	96½
Do.	4½	'52	103½	105½	103½
Mercury Mills	5	'59	94½	97½	93½
Mersey Paper	5	'57	97½	100½	97½
†Do.	6	'49	99½	..	99½
*M. & O. Paper	5	'60	95½	98½	95
Moirs Ltd.	6	'53	90	..	90
‡Mtrl. Drydocks.	6	'48	87	..	87
Montreal Apts.	4	'54	52½	55½	53½
Nat. Grocers	4	'47	101½	...	101½
N. S. Stl. Coal	3½	'63	83	86	83
Price Bros.	5	'57	98½	101½	98½
Do.	4	'57	85½	88½	85½
*Prov. Paper	5½	'47	105	...	104½
Reliance Grain.	4½	'52	96	99	96
†Restigouche Co.	6	'48	101½	103½	101½
Rolland Paper	4½	'51	102½	104½	102½
Ruddy, E. L.	6½	'48	101½	103½	101½
Silv. Dairies	6	'66	93	96	93
Simpsons, Ltd.	4½	'51	102	105	102
Smith, Howard.	4½	'51	104	106	104
Stand. Lime	6	'44	97½	...	97½
Sterling Coal	6	'45	99½	101½	99½
Stop Shop	3	'47	57½	60½	57
United Corp.	5	'53	93	96	93
*United Gas	5½	'48	104½	...	104½
United Gr. Grs.	5	'48	99½	102½	99
†Western Grain	6	'49	67	70	68

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
▴Payable in Can. or U. K.
‡Traded without accrued interest.

Bond Tenders

5 p.m., Jan. 5, Sch. Mun. of Grand'Mere, P.Q.—$11,000, 4%, dated Nov. 3, 1941, payable serially in 10 years. Roger Deshaies, sec.-treas.

Investment Trusts

	Bid	Asked
Affiliated Funds	1.98	2.17
Can. Amer. Trust	3.00	3.35
Can. Inter. Trust	3.75	4.50
Can. Invest. Fund	3.35	....
Corporate Investors	3.59	6.00
Trans-Canada	9.35	10.20

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
Comparative Prices of Unlisted Stocks
1939 - 1940 - 1941

	1939 Bid	1939 Asked	1940 Bid	1940 Asked	Dec. 31, 1941 Bid	Dec. 31, 1941 Asked
Industrial Stocks:						
Acme Farmers Dairy, 7% pfd.	17.50	....	28.00	31.00	44.00	47.00
Andian National Corp., div. $3	33.50	35.00	27.00	28.50	29.50	31.50
Anglo Can. Telephone, A	8.50	9.00	8.25	8.60	7.00	8.00
Do., 5½% pfd.	48.50	49.50	45.00	48.50	....	42.50
Atlas Steels, com.	12.50	16.50	19.00	....	20.00	22.50
Barrymore Cloth, pfd.	20.00	....	29.00	....	31.00	....
Brantford Roofing	....	....	....	....	2.00	....
B. C. Pulp & Paper, com.	22.50	24.25	17.00	18.50	9.00	11.00
Do., 7% pfd.	52.00	....	68.00	72.00	60.00	70.00
B. C. Sugar	92.00	95.00	73.00	76.00	73.00	76.00
Brown Co., new com.	....	....	....	....	1.60	2.00
Do., new pfd.	....	....	....	....	29.00	32.00
Burns & Co. Ltd., A	8.00	8.75	2.75	4.00	4.00	5.50
Do., B	5.25	6.25	1.00	2.50	2.50	3.50
Canada Starch, pfd.	100.00	....	100.00	102.00	100.00	103.00
Canada Wire & Cable, 6½% pfd.	106.50	107.50	106.00	108.00	107.00	109.00
Canada Tea, pfd.	22.00	24.00	....	24.00	....	27.00
Canadian Airways	....	....	....	....	1.25	1.75
Can. [illegible] Growers	6.50	8.00	6.00	8.00	8.00	....
Can. Goodrich, com.	1.25	....	1.25	....	1.25	....
Can. Industries, A com.	242.00	....	210.00	220.00	165.00	170.00
Do., B com.	236.00	239.00	202.00	206.00	165.00	170.00
Do., 7% pfd.	169.00	172.00	172.00	177.00	170.00	173.00
Can. Ingersoll Rand	160.00	*	77.00	81.00	70.00	77.00
Can. Motor Lamp, A & B	2.00	....	2.25	....	3.25	....
Can. Tube & Steel, com.	7.00	8.00	4.00	5.00	5.00	....
Do., 1st pfd.	70.00	73.00	80.00	....	78.00	83.00
Can. Western Lumber, com.	.70	1.25	.50	.75	.75	....
Can. Westinghouse	53.00	54.00	43.00	46.00	41.00	43.00
Chase, A. W., $8 pfd. bonus	26.00	27.00	18.00	20.00	17.50	19.50
Claude Neon, 7% pfd.	6.50	7.50	4.50	6.25	2.50	3.50
Colonial Steamships, com.	....	....	....	....	33.00	36.00
Cons. Sales Book, pfd.	....	74.00	....	65.00	50.00	....
Copeland Flour Mills, units	12.50	....	15.00	....	14.50	16.50
Corrugated Paper Box, com.	1.00	2.00	.70	1.00	.50	1.00
Dom. Manufacturers, com.	4.00	5.50	5.00	8.00	2.00	4.00
Do., pfd.	61.00	65.00	62.00	66.00	66.00	....
Dom. Rubber, pfd.	100.00	....	100.00	....	101.00	....
Dunlop Tire, 5% pfd.	22.25	23.25	23.50	25.00	22.00	23.50
Eastern Dairies, pfd.	5.00	6.00	8.00	10.00	7.00	....
Eastern Steel Prod., pfd.	20.00	22.00	20.00	22.00	22.00	....
Easy Washing Machine, 7% pfd.	8.75	....	9.75	11.00	9.75	11.25
Federal Grain, com.	2.50	2.75	1.00	....	.50	1.00
Do., 6½% pfd.	45.00	46.50	31.00	34.00	34.00	36.50
Galt Brass, com.	....	....	....	....	9.50	....
Guardian Realty, pfd.	15.00	....	16.00	18.50	10.00	12.50
Goderich Elevator & Transit	9.00	9.75	8.25	9.25	6.25	7.25
Guelph Carpet, com.	15.50	....	19.00	....	18.00	20.00
Hayes Steel Prod., com.	22.00	*24.00	9.50	10.50	13.75	15.00
Highland Dairy, com.	2.25	....	1.00	2.00	1.00	2.00
Do., pfd.	69.00	74.00	45.00	55.00	48.00	51.50
Kingston Shipbuilding, units	19.00	21.00	25.00	....	36.00	37.50
Inglis, John	....	....	....	....	3.50	5.00
Industrial Accept. Corp., pfd.	85.00	88.00	85.00	89.00	....	89.00
Ingram & Bell, pfd.	....	....	....	....	95.00	....
Loblaw Groceterias Inc., com.	11.25	11.75	12.50	13.50	11.50	13.00
Maritime Tel. & Tel., com.	15.75	17.00	16.00	....	16.50	....
Do., pfd.	16.50	17.50	16.50	....	16.00	....
Mersey Paper, com.	5.25	....	4.50	6.00	4.50	....
Minn. & Ont. Paper, com.	....	....	....	....	4.50	5.20
Moirs Ltd., 6% pfd.	....	....	17.00	....	19.00	21.50
Morrison Brass, units	5.00	6.00	4.25	7.00	6.00	....
Morrow Screw, com.	9.25	....	10.50	....	12.00	16.00
Do., pfd.	99.50	102.00	100.00	105.00	104.00	106.00
Mount Royal Hotel, new pfd.	....	....	1.75	3.00	2.50	....
Neilson, Wm., com.	....	....	....	....	10.00	....
Do., pfd.	....	....	....	....	100.00	....
New Brunswick Tel., com.	12.25	13.25	11.00	13.00	10.00	12.00
New Method Laundry, 6½% pfd. bonus	63.00	66.00	53.50	60.00	56.00	59.00
North American Elevators, 1st pfd.	....	....	49.00	....	70.00	....
Do., 2nd pfd.	....	....	20.00	....	35.00	....
Office Specialty, pfd.	72.00	....	70.00	....	72.50	....
Ontario Tobacco Plant, pfd. bonus	21.00	23.50	14.00	17.00	18.00	21.00
Pacific Coast Terminals, com.	....	....	....	....	....	7.00
Provincial Paper, 7% pfd.	105.50	107.00	105.00	107.00	100.50	102.75
Quinte Milk Products	....	....	....	....	2.25	3.50
Reliance Grain, com.	6.00	7.00	3.00	....	6.50	....
Do., 6½% pfd.	74.50	77.00	67.00	71.00	70.00	....
Robertson, P. L.	100.00	....	100.00	....	105.00	....
Ruddy, E. L., 7% pfd.	28.00	31.00	22.00	26.00	20.00	24.00
Seal O Sac (Can.) Ltd.	2.75	3.75	1.00	2.50	....	1.50
Standard Fuel, com.	1.25	....	1.00	2.00	1.00	....
Do., 6½% pfd.	57.00	60.00	61.00	65.00	52.50	56.50
Stedman Bros., 6% pfd.	57.00	59.00	56.00	59.00	57.00	60.00
Sutton Horsley	....	....	....	....	....	1.15
Toronto Carpet, com.	19.00	22.00	37.00	....	45.00	....
Do., 6½% pfd.	54.00	56.00	60.00	....	66.00	70.00
United Farmers Co-Operative	2.30	2.75	2.50	3.25	2.90	3.50
United Steel, A 6% pfd.	22.50	23.50	22.50	24.00	21.50	23.50
Viceroy Mfg., pfd.	....	....	22.50	25.50	22.00	25.50
Do., com.	....	....	11.50	15.50	11.50	12.75
Western Grain, 6½% pfd. bonus	8.00	10.00	7.00	9.00	5.00	....
Western Steel Prod., com.	8.00	9.00	8.00	10.00	9.50	....
Weston (George) Holdings, Ltd.	....	6.00	2.00	5.00	....	4.00
Trust and Loan Stocks:						
British Mortgage & Trust	151.00	154.00	120.00	135.00	123.00	132.00
Brockville Loan & Savings	....	....	....	....	42.00	....
Commercial Finance, com.	3.00	3.50	2.50	3.25	4.00	....
Crown Trust	100.00	110.00	80.00	90.00	80.00	....
Eastern Canada Savings	126.50	134.00	125.00	135.00	120.00	....
Eastern Trust	161.00	....	174.00	182.50	170.00	....
Grey & Bruce Trust	....	....	....	....	43.00	....
Guaranty Trust	96.00	100.00	98.00	102.00	100.00	103.00
Guelph & Ont. Invest.	53.50	55.50	51.00	55.00	50.00	53.50
Lambton Loan	31.00	34.00	31.00	34.00	30.00	33.00
London & Western Trust	38.00	40.50	....	37.00	....	36.00
Midland Loan & Savings	17.00	19.00	13.50	16.00	14.00	16.00
Mortgage Corp. of N. S.	100.00	110.00	100.00	110.00	100.00	....
Nova Scotia Trust	146.00	152.00	....	140.00	....	140.00
Premier Trust	75.00	80.00	60.00	65.00	40.00	43.00
Sterling Trust	56.50	....	56.00	....	51.00	....
Traders Finance, A com.	13.50	15.00	10.50	11.50	6.00	8.00
Do., A 6% pfd.	82.00	85.00	93.00	96.00	70.00	75.00
Do., rights	....	....	14.00	....	11.00	....
Trust & Guarantee (new)	....	....	50.00	55.00	37.50	41.00
Waterloo Trusts & Savings	99.00	....	98.00	102.00	100.00	....
Victoria Loan & Savings	107.00	116.00	70.00	....	70.00	75.00
Insurance Stocks:						
British America Assce.	55.00	....	50.00	55.00	51.00	53.00
Canada Life Assce. (div. $20)	455.00	475.00	385.00	397.00	370.00	380.00
Canadian Fire Ins.	81.00	....	78.50	....	78.00	82.00
Confederation Life, 30% pd.	150.00	154.00	135.00	145.00	125.00	135.00
Consolidated Fire & Casualty	....	....	....	....	3.75	....
Continental Life, 20% pd.	33.00	....	35.00	....	35.00	38.00
Crown Life, fully pd.	260.00	....	253.00	278.00	265.00	285.00
Dominion Fire Ins.	135.00	....	135.00	....	138.00	145.00
Dominion Life, 50% pd.	250.00	275.00	250.00	300.00	200.00	250.00
Dom. of Can. Gen. Ins.	120.00	127.00	120.00	135.00	115.00	120.00
Empire Life, 25% pd.	5.00	6.00	5.50	6.50	5.00	6.00
Excelsior Life, 38% pd.	57.00	60.00	70.00	....	70.00	74.00
Federal Fire, 25% pd.	50 50	54.00	51.00	53.00	52.50	56.00
Great West Life, div. $15	230.00	....	200.00	215.00	195.00	205.00
Guar. Co. of N. A., fully pd.	380.00	....	380.00	....	350.00	....
Halifax Fire Ins.	21.50	23.00	17.00	20.00	17.00	18.50
Imperial Life	295.00	305.00	280.00	300.00	265.00	280.00
Manufacturers Life	227.00	....	225.00	240.00	215.00	225.00
Monarch Life, 10% pd.	21.00	23.00	33.00	....	33.00	35.00
National Life, 25% pd.	24.00	28.00	25.00	30.00	....	19.00
Sovereign Life, 25% pd.	12.50	14.50	12.50	15.00	12.50	....
Sun Life Assce., div. $15	375.00	400.00	300.00	350.00	290.00	310.00
Toronto General Ins.	5.50	6.00	5.00	5.75	4.25	5.00
Wellington Fire Ins.	58.00	62.00	58.00	....	58.00	....
Western Assce., 12% pfd.	41.00	44.00	40.00	42.00	43.00	46.00
Do., com. div. $2.40	48.00	50.00	40.00	44.00	43.50	46.00
Theatre Stocks:						
Allens Beach, pfd.	64.00	69.00	60.00	65.00	58.00	....
Do, Kingston, pfd.	65.00	69.00	61.00	66.00	61.00	66.00
Do., London, pfd.	52.00	54.00	51.00	56.00	50.00	....
Do., St. Catharines, pfd.	53.00	56.00	51.50	53.00	53.00	56.00
Do., Toronto, 7% pfd. bonus	32.50	36.00	31.00	35.00	32.00	36.00
Loew's, Buffalo, pfd.	3.50	....	3.00	5.00	3.00	5.00
Do., London, pfd.	3.00	3.50	2.25	3.00	3.00	4.00
Marcus Loew's Theatre, com.	....	....	....	....	17.50	20.00
Mansfield Theatre, 7% pfd.	27.00	30.00	26.50	30.00	29.00	33.00
Paramount Kitchener, pfd.	53.50	56.00	51.00	55.00	52.00	56.00
Do., Oshawa Co., pfd.	....	....	80.00	90.00	81.00	....
United Amusement, A	12.00	13.00	12.25	13.25	12.50	14.00
Do., B	12.00	13.00	12.25	13.25	12.50	14.00
Investment Trust Shares:						
Can. Gen. Investments Ltd., div. 50c.	9.25	9.50	8.00	8.25	7.25	7.75
Can. Investment Fund	4.10	4.50	3.35	3.75	3.00	4.00
Can. Investors Corp., div. 40c.	6.25	6.75	5.25	6.00	5.00	6.00
Debenture & Securities, pfd.	65.00	....	58.00	....	60.00	....
Investment Foundation, units	57.00	....	41.00	45.00	43.00	44.50
Securities Hold., pfd. bonus	21.50	....	18.00	20.00	18.00	20.00
United Corps. Ltd., A	22.00	24.00	21.00	22.00	20.00	22.00
Do., B	10.00	11.00	5.00	6.00	5.00	6.00
Power Issues:						
Calgary Power, 6% pfd.	99.50	101.00	101.00	....	100.00	103.00
Can. West. Nat. Gas L. H. & P., com.	26 00	....	24.00	....	27.00	....
Do., 6% pfd.	100.50	102.00	102.00	....	102.00	....
Great Lakes Power, pfd.	102.00	104.00	101.50	103.50	103.00	105.00
Inter. Utilities, $1.75 pfd.	16.00	20.00	15.00	....	15.00	....
Do., $3.50 pfd.	33.00	37.00	30.00	....	36.00	....
MacLaren Power & Paper, com.	20.00	20.75	15.50	17.00	15.00	16.00
Montreal Island Power, pfd.	20.50	23.00	21.00	....	41.00	....
Nor. Ont. Power, 6% pfd.	95.00	....	70.00	80.00	70.00	75.00
Nova Scotia L. & P., 6% pfd.	107.50	109.00	106.00	....	106.50	....
Do., com.	97.00	....	94.00	....	95.00	....

*New.

Supplementary Bond Quotations

(Furnished by A. J. Pattison, Jr., & Co., Toronto)

		1939 Bid	1939 Asked	1940 Bid	1940 Asked	Dec. 31, 1941 Bid	Dec. 31, 1941 Asked
Industrial Bonds:							
*B. C. Pulp & Paper, 6% 1950		79.00	84.50	88.50	92.00	93.00	96.00
*Do. 7% 1950	F	72.00	....	110.00	125.00	115.00	....
*Brown Co., 5½% 1946		....	....	....	....	68.50	71.50
Burns & Co., 5% 1958		67.00	69.00	57.00	59.00	72.00	74.00
Can. Locomotive, 6% 1953	F	80.00	84.00	90.00	92.00	100.00	103.00
Can. Theatre, 5% 1951		49.00	....	49.00	52.00	56.00	....
Can. Vickers, 6% 1947	F	....	....	50.00	....	88.00	90.50
Dom. Woollens, 6% 1953		80.00	83.00	95.50	97.50	97.00	99.00
*Eastern Dairies, 6% 1949		64.00	67.00	82.00	84.00	79.00	82.00
Economic Invest. Trust, 5% 1957		100.00	102.00	99.00	....	100.00	....
Galt Brass, 5% 1950		....	....	60.00	65.00	90.00	....
General Steel Wares 4½% 1952		....	....	....	....	100.00	102.00
*Gurney Foundry, 5½% 1949 (int. 4%)		47.50	50.00	67.00	69.00	87.00	89.00
Hamilton By-Prod. Coke, 6%, 1956		....	....	99.00	101.00	100.00	103.00
Industrial Accept., 4% 1952		....	....	86.00	89.00	79.00	81.00
*Internat. Hydro Elec., 6% 1944		....	....	60.00	....	34.00	36.00
*Kingston Eevators, 6% 1947		....	....	105.50	107.50	105.00	107.00
Maple Leaf Milling, 3-5½% 1958		....	....	....	....	78.00	80.00
Mercury Mills, 5% 1959		....	....	92.00	95.00	94.50	97.00
*Minn. & Ont. Paper, 5% 1960		....	....	75.00	77.00	95.00	96.50
Montreal Drydock, 6% 1948	F	....	....	41.00	44.00	83.00	86.00
Morrison Brass, 7% 1947		90.00	95.00	95.00	99.00	100.00	....
Municipal Bankers, 1941	F	....	....	9.00	11.00	8.00	10.50
New Method Laund., 4% serial		....	....	98.00	100.00	94.00	97.00
Ruddy, E. L., 6½% 1948		98.00	101.00	101.00	103.00	95.00	100.00
Standard Clay Prod., 6% 1942		....	....	60.00	....	67.00	....
Sterling Coal, 6% 1945		91.75	93.50	95.00	....	97.00	....
Stop & Shop, 3% 1947		50.00	....	60.00	....	54.00	56.00
*Twin City Rapid Transit, 5½% 1952		....	....	67.00	69.00	72.00	74.00
United Amusement, 5% 1956		97.00	....	99.00	....	98.00	....
United Corps., 5% 1953	F	97.00	99.00	93.00	95.00	91.00	94.00
United Grain Growers, 5½% 1949		100.00	102.50	99.00	101.00	101.00	....
*Western Grain, 6% 1949	F	....	....	50.00	52.50	67.00	69.00
Realty Bonds:							
Adelaide Peter, 6¼% 1948	F	32.00	34.50	29.00	32.00	26.25	29.00
Adelaide Sheppard, 7% 1948	F	19.00	21.00	21.00	23.00	23.00	25.00
*Albert Bay, 6½% 1942		57.00	....	52.00	57.00	53.50	....
Ancroft Place, 4% 1956		....	....	....	....	42.50	44.50
Annandale Court Apts., 6½% serial		....	....	....	....	31.00	....
Balfour Bldg., 6% 1943 (int. at 3%)	F	33.00	36.00	35.00	40.00	40.50	....
Bay Adelaide, 6½% 1947	F	33.50	36.00	33.00	36.00	28.00	35.00
*Bloor St. George, 7% 1946	F	34.00	37.00	33.00	36.00	43.50	46.00
Clarendon Apts., 7% [illegible]	F	25.00	27.00	17.50	19.50	26.25	29.00
Clarendon Props., 7% 1947	F	25.50	27.50	17.50	19.50	26.25	29.00
Deer Park Manor, 7% 1940	F	....	....	....	....	36.50	39.50
Ellis Park Apts., 4½% 1945 W.S.		....	....	....	....	53.50	....
General Brock Hotel, 3%, 1954		32.00	....	26.00	30.00	36.00	....
Godfrey Realty, 6% 1942 (with stk.)	F	40.00	43.00	†52.00	....	†52.00	54.00
King Edward Hotel, 7% 1944	F	4.50	6.00	5.00	6.00	6.50	7.50
Lombard Realty 2½% 1951 (with stk.)		25.00	27.00	25.00	28.00	26.50	28.50
London Realty, 6½% 1950		79.00	84.00	91.00	93.00	93.00	95.00
Lord Nelson Hotel, 4½% 1947		....	....	....	....	49.00	51.00
Ontario Bldg., 3½% 1943	F	29.00	32.00	33.00	36.00	44.00	....
*Richmond Bay, 6½% 1947		98.00	101.00	96.50	....	98.00	101.00
Richmond Bldg., 7% 1947	F	16.00	18.00	10.00	13.00	12.00	....
*Wellington Bldg., 6½% serial	F	43.00	46.00	49.00	....	55.00	....
Windsor Arms, 6½% 1947		93.00	....	93.00	....	93.00	95.50

*Int. payable in U. S. and Canadian funds. *Int. payable in U. S. funds.
F—Traded without accrued interest. †And interest.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 220

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1942, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd February next, to shareholders of record at the close of business on the 31st December, 1941. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager.

Toronto, 12th December, 1941.

The Dominion Bank

Dividend No. 237

Notice is hereby given that a dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st January, 1942. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the 2nd day of February, 1942, to shareholders of record of the 15th January, 1942.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 11th December, 1941.

DIVIDEND

Capital Trust Corporation Limited

Notice is hereby given that a dividend of One Dollar has been declared on each share of paid up Capital Stock of the Corporation and will be paid March 1, 1942, to shareholders of record at the close of business on December 13, 1941.

By Order of the Board,

JAMES J. LYONS,
Secretary.

Ottawa, December 20, 1941.

Guaranty Trust Company of Canada

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of 1¼%, being at the rate of 5% per annum on the paid-in capital stock of the Company, has been declared for the quarter year ending December 31st, 1941, payable January 15th, 1942, to shareholders of record at the close of business December 31st, 1941.

By Order of the Board.

J. WILSON BERRY,
General Manager.

Anglo-Huronian Limited

DIVIDEND NO. 9

NOTICE IS HEREBY GIVEN that a dividend of Ten cents (10c) per share, in Canadian Funds, on the issued capital stock of the Company, has been declared payable January 23rd, 1942, to shareholders of record at the close of business January 9th, 1942.

J. INGRAM,
Secretary-Treasurer.

Toronto, December 24th, 1942.

Annual Meetings

1942:	Company	Place
Jan. 5	Honey Dew	Toronto
Jan. 6	Lake Sulphite Pulp*	Toronto
Jan. 8	Montreal Telegraph	Montreal
Jan. 8	Provincial Bank	Montreal
Jan. 8	Royal Bank	Montreal
Jan. 9	Dryden Paper	Montreal
Jan. 10	Scythes & Co.	Toronto
Jan. 12	Central Man. Mines	Winnipeg
Jan. 15	Canada Life Assur.	Toronto
Jan. 20	Confederation Life	Toronto
Jan. 21	Imperial Life	Toronto
Feb. 5	Mutual Life	Waterloo

*Creditors.

Mining Dividends

	Rate	Dec. 29	Yield %
Anglo-Huronian	▲10c	2.35	..
Argus Interests	†4c	.35	..
Aunor Gold	16c	1.45	11.0
Beattie Gold	16c	.93	17.2
Berens River	†3c	1.00	..
Bralorne	80c+40c	9.50	*12.6
Broulan Porc.	12c	.60	20
Buffalo Ankerite	▲30c	2.60	..
Bulolo Gold	$3	9.00	..
Can. Malartic	8c	.45	17.8
Cariboo Gold	16c+8c	1.72	*13.9
Central Patricia	16c+6c	1.25	*17.6
Chesterville	15c	1.44	..
Cochenour Willans	6c	.51	11.8
Coniagas	▲17½c	1.25	..
Coniaurum	16c	.86	18.6
Cons. Smelters	$1+$1.50	38.00	[illegible]
Delnite	▲6c	.65	..
Dome Mines	$2	16.00	12.5
East Malartic	▲20c	2.10	..
Falconbridge	20c	3.00	..
Francoeur Gold	▲4c	.33	..
Gold Belt	▲2c	.18	..
Grandview	▲1½	.15½	..
Hallnor	60c	2.50	24
Hard Rock	▲8c	.50	..
Hedley Mascot	8c	.35	22.8
Hollinger	65c+45c	9.90	*11.1
Howey Gold	▲4c	.18	..
Hudson Bay	$2	27.87	7.2
Inspiration	†2c	.25	..
Inter. Nickel, com.	$2	34.50	5.8
Island Mountain	▲18c	1.10	..
Jason	4c	.27	..
Kerr-Addison	▲35c	4.30	..
Kerr Lake	5c	.22	..
Kirkland Lake	10c+1c	.50	*22
Kootenay Belle	▲8c	.21	..
Lamaque Gold	40c+15c	4.10	*13.4
Lake Shore	$1.40	10.50	13
Leitch	8c	.42	19.1
Little Long Lac	▲20c	1.30	..
Macassa	32c+3c	2.60	*13.4
Madsen R. Lake	▲3c	.49	..
Malartic Gold	10c	2.10	..
McGillivray Coal	2c	.22½	..
McKenzie Red L.	12c	.96	12.5
Moneta	8c	.28	..
McIntyre-Porc.	$222+$1.11	43.00	*7.7
MacLeod-Cockshutt	10c	1.50	..
Naybob Gold	4c	.21	..
Negus	7½c	.45	..
Nipissing	15c	.98	15.3
Noranda	$4	47.00	8.5
North Empire	▲40c	3.75	..
O'Brien Gold	10c	.80	..
Pamour Porc.	18c	.85	21.2
Pato Cons.	20c+2c	3.00	*7.3
Pend Oreille	†6c	1.55	..
Perron Gold	16c+9c	1.35	*18.5
Pioneer, B.C.	40c	2.00	20
Pickle Crow	40c	2.27	17.6
Placer Develop.	$1.20	8.37	14.4
Premier	11c	.58	18.9
Preston E. Dome	20c+10c	2.88	*10.4
Privateer Mines	12c+4c	.46	..
Quebec Gold	2c	.30	..
San Antonio	14c+6c	1.95	*10.2
Sheep Creek	16c+1c	.85	*19.9
Sherritt Gordon	10c	.86	..
Sigma Mines	▲30c	6.50	..
Silbak Premier	16c	.70	22.8
Siscoe	▲8½c	.48	..
Sturgeon River	4c	.10	..
Sudbury Basin	▲5c	1.50	..
Sullivan Cons.	▲8c	.60	..
Surf Inlet	▲2c	.07½	..
Sylvanite Gold	28c	1.90	14.7
Teck-Hughes	40c	2.10	19
Toburn	12c+6c	1.04	*17.3
Upper Canada	▲14c	1.06	..
Ventures	▲20c	3.50	..
Waite Amulet	40c	4.25	..
Wendigo	[illegible]	.11	..
Wright-Harg.	40c+20c	2.52	*23.8
Ymir Yankee	2c	.03	..

▲Paid in 1941. *Yield including bonus.
†Initial.

Additional Quotations on Page 2

Week in Wheat

Peak In Wheat Stocks Now Possibly Past

Drop in Stocks From 507 to 504 Million Bus. Occurs During Week With Decline to 450 Million Bus. By July 31 Seen Possible

From Our Own Correspondent

WINNIPEG.—Visible stocks of Canadian wheat, after reaching a high of over 507 million bushels, have declined during the course of a week to slightly over 504 million bushels. It is quite probable that the peak in stocks has now been passed and gradual recessions are looked for in the months ahead. Year-end stocks next July 31 may be as low as 450 million bushels or even less.

The final figures, of course, will depend on factors as yet uncertain, including both the quantity to be exported to Great Britain, and the quantity that will be fed on Canadian farms. All told, however, it is probable that the total amount of wheat delivered by farmers during the crop year will fall far short of meeting the year's requirements for export, for domestic milling and sales out of storage for feeding purposes.

Wheat Stays on Farm

Western farmers are still far from having delivered all their year's production of wheat, but it is difficult to be sure as yet as to their intentions with respect to the wheat on farms. Some of it is being held back for later delivery, in order to earn as much as possible in farm storage charges. Having had to put wheat away in farm granaries because elevator room was not available at threshing time, many farmers are showing no great hurry to move it again, even though elevator space may now be available.

With respect to much lower grade wheat, some has already been fed but many owners are waiting to see how the new crop of feed grains comes along in early summer before making their decision.

* * *

Grain Helps Rails

Volume of grain moved by Canadian railways during the past year and the earnings therefrom, are causing comment in railway circles. During the past season an unusually high percentage of eastbound grain shipped from the head of the lakes was destined to Georgian Bay ports instead of to Montreal.

In part this was due to scarcity of lake vessels, but it was also due to limitations imposed on lake routes, which made vessel owners more willing to accept charters to Bay ports than to Montreal. Since the close of navigation there has been a considerable rail movement of both coarse grains and low grade wheat to eastern Canada for feeding purposes, under the free freight policy of the Dominion Government.

* * *

U. S. Prices "Pegged"

United States grain prices now appear to be pegged by government influence within comparatively narrow limits, but limits which are nevertheless subject to change. Congress has enacted legislation extending the principle of government loans at 85% of parity prices on different grains. That establishes a bottom price below which farmers do not need to sell their grain.

Instead they may borrow on it, and if it later does not pay them to pay off the loan and redeem their grain, they may simply surrender the security in satisfaction of the loan. Influence of Congress, whose members are highly responsive to the farm vote, appears to favor higher prices. On the other hand, the government, which in recent years has been struggling hard to maintain or to increase grain prices, now desires to prevent prices rising unduly.

* * *

Costs Affect Prices

In consequence the government has announced a programme of selling grain it has acquired under loan, at prices which will not be lower than 15% above acquisition costs. These in turn were based on parity prices. But parity prices, in terms of United States legislation are fluctuating, and defined as prices which would give the producer of a commodity the same purchasing power as would have been yielded, on the average, for the same quantity of a commodity in the base period from 1909 to 1914.

Thus, if inflation, or other causes, should increase the cost of farm machinery, of clothing or of other articles or commodities purchased by farmers, the loan values of wheat and other grains would rise accordingly. Some people in the United States still regard the purchase of wheat as something of a hedge against inflation.

There is also a belief that before the end of the war, or immediately after, there will be a very great demand for farm commodities from this continent. However, wheat prices in the United States are so far above those prevailing in Canada that any one moved by the latter consideration would be more likely to turn to Canadian wheat than to buy on the Chicago market.

DIVIDEND NOTICES

Canadian Celanese Limited

1401 McGill College Avenue,
MONTREAL, P.Q., CANADA

December 23, 1941.

To the Holders of Income Funding Rights

March 17, 1942, has been fixed as the date on which interest in respect of the year 1941 will be paid to the holders of income funding rights of record at the close of business on December 31, 1941.

H. BLANCKE,
Secretary.

Bathurst Power and Paper Co., Ltd.

Notice of Dividend on Class "A" Shares

The Board of Directors has today declared a quarterly dividend of Twenty-five cents (25c) per share on the outstanding Class "A" Shares of this Company, payable on the 2nd day of March, 1942, to shareholders of record at the close of business on the 13th day of February, 1942.

H. J. WEBB,
Vice-president and Treasurer.

December 22, 1941.

STELCO The Steel Company of Canada Limited

PREFERENCE DIVIDEND NO. 122.

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending December 31, 1941, payable February 2, 1942, to shareholders of record at the close of business January 7, 1942.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, December 22, 1941.

STELCO The Steel Company of Canada Limited

ORDINARY DIVIDEND NO. 100.

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending December 31, 1941, payable February 2, 1942, to shareholders of record at the close of business January 7, 1942.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, December 22, 1941.

Commodities

Weekly Index At the Top

While there have been changes in individual items, commodity prices have held fairly steady since the price ceiling went into effect Dec. 1. The ceiling was set at the highest level prevailing between Sept. 15 and Oct. 11. The highest weekly D.B.S. index in that period was 93.7, in the week ended Oct. 10. This is also the index figure for the latest week for which figures are available, that ending Dec. 19.

In the weeks ended Nov. 7 and Nov. 14 the index was 94, so there has been a slight decline from the high point reached.

	Latest week	Previous week	Same week last yr.
Cattle	$9.75	$9.60	$9.50
Hogs	15.00	15.00	11.00
Copper, lb.	.12	.12	.12
Cotton, lb.	.1824	.1808	.1046
Sugar, raw, lb.	.0350	.0350	.0293
Wheat, Man. (bu.)	.74¼	.73⅛	.73¾
Coffee, lb.	.09⅛	.09⅛	.05¼
Hides	.15½	.15½	.13
Weekly Indices			
Canada, D.B.S.	93.7	93.5	84.2
Do., Wood, Gundy	75.3	75.0	67.3
U. S. Labor	94.0	93.1	79.7
Dow Jones (future)	83.87	83.65	56.79
Fishers	101.0	100.9	85.2
Monthly Indices			
Canada (D.B.S.):			
Retail (Nov.)*	116.3	115.5	107.8
W'sale, (Oct.)	93.8	93.2	83.3
U. S., (Sept.)	91.8	90.3	78.0
Gt. Brit. (Sept.)	154.3	153.2	141.1

Note:—The base of indices is that 1926 equals 100 *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper—electrolytic, New York. No 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

Foreign Exchange

During the week Dec. 22 to Dec. 29 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Dec. 29

Australia ... 3.58 N. Zealand ... 3.61
India ... .3353 S. Africa ... 4.47
Hong Kong ... .2835

NOTICE

NOTICE is hereby given that the Dominion Insurance Department has granted Certificates of Registry Nos. C-774 to C-778 both inclusive authorizing New York Reciprocal Underwriters, Individual Underwriters, American Exchange Underwriters, Affiliated Underwriters and Metropolitan Inter-Insurers to transact in Canada the business of Inland Transportation Insurance, in addition to the classes for which they are now already registered.

V. W. GERRISH,
Chief Agent for Canada.

December 16, 1941.

C.N.R. Records Surplus on '41 Operations

All Public Charges Met As a Result of Record Activity in All Divisions

From Our Own Correspondent

MONTREAL.—Indicated earnings of Canadian National Railway system for 1941 are placed at $303 millions by R. C. Vaughan, president. This represents an increase of $50 millions over the preceding year.

Net revenue for the past year is estimated at $66 millions, after meeting all expenses including equipment depreciation. Taxes and fixed charges, including interest, amount to $62 millions for 1941, leaving an indicated surplus over and above all operating expenses, taxes and interest, of $4 millions. During 1940 net revenue totalled $45 millions, which was some $15 millions short of meeting all charges.

The financial results of operations for 1941, together with comparative figures for 1940 follow:

	1941 $	1940 $
Oper revenues	303,000,000	247,527,224
Oper. expenses	237,000,000	202,519,812
Net revenue	66,000,000	45,007,412
Oper. ratio	78.2%	81.8%

Much Equipment on Order

Capital improvements made by the system during 1941 nearly all arose from the necessity of improving facilities in various lines of the railway which have now become strategic routes for the handling of actual and prospective war traffic. This work consisted of improving yards, terminals, shops, engine houses, the construction of additional passing tracks and sidings and in installation of signals.

Orders have been placed for various types of equipment, including locomotives and freight cars. However, conditions imposed by war priorities presented difficulties for the builders who were unable to complete these orders. During the year the system received 10 locomotives and 1,136 cars. There are on order undelivered 70 locomotives and 3,339 cars.

Direct War Effort

The Canadian National Railways has directly participated in the mobilization of Canadian industries for war purposes, said Mr. Vaughan. The company constructed, under financial arrangement with the Government, a building measuring 511 x 516 feet with an area of over 263,600 square feet for the National Railways Munitions Ltd. This plant has been in operation for some time.

At that plant and elsewhere in car and locomotive shops, part of the company's working force, numbering more than 1,000 men, has been actively engaged in the manufacture of several types of munitions, including gun carriages, naval guns and gun mountings. At its drydock and shipbuilding yards, the company has been and is constructing mine sweepers and these same facilities are also being used in building large cargo vessels for Wartime Merchant Shipping Ltd.

Take Over Steamships

The steamship companies which form a part of the Canadian National organization, continued Mr. Vaughan, have also played their part in the Battle of the Atlantic and elsewhere. An additional wartime responsibility accepted by the company was the management of the Canadian Government Merchant Marine which has been re-established and is operating Danish, French, Finnish, German and Italian vessels leased by the Canadian government.

Of other services operated by the company the group of hotels record a satisfactory year. All of them have been busy; indeed, at times most of the hotels have been hard pressed to furnish accommodation for the number of guests offering.

Canadian National Telegraphs has had an exceptionally busy year, handling an appreciable increase in the number of messages despatched, especially for industrial and commercial purposes.

Stabilize Wage Policy

A feature of the company's labor relations during the year, said Mr. Vaughan, was the stabilization of wages and salaries in accordance with the order in council issued by the government.

Eastern Steel Adopts Quarterly Pay Plan

Eastern Steel Products, Ltd., has changed from a policy of paying dividends on an annual basis to one of quarterly payments. The company has been paying $1 a share annually for a number of years and no change in the rate is involved in the announced change in method of payment.

Last payment at the regular annual rate of $1 a share is scheduled for Feb. 2, 1942, to shareholders of record Jan. 15, to cover the year ended Nov. 30 last. Initial payment on a quarterly basis of 25 cents will be made March 2, 1942, to shareholders of record Feb. 16.

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Wheat Prices

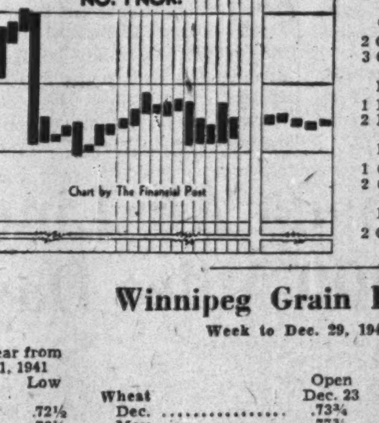

Chart by The Financial Post

Cash Quotations

For Week

	Dec. 29 High	Dec. 29 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.74⅜	.74⅛	.74⅛	.73¾
1 Nor.	.74⅜	.74⅛	.74⅛	.73¾
2 Nor.	.71¼	.71	.71	.70⅜
3 Nor.	.68¾	.68½	.68½	.68⅛
4 Nor.	.67	.66¾	.66¾	.66⅜
5 Wheat	.64¾	.64½	.64½	.64⅛
6 Wheat	.63¼	.63	.63	.62⅜
Oats:				
2 C. W.	.49⅜	.47¾	.47¾	.47⅜
3 C. W.	.46⅜	.45⅜	.45¼	.44⅞
Barley:				
1 Feed	.55⅜	.55⅛	.56½	.55½
2 Feed	.54⅝	.54⅜	.55⅜	.54¾
Flax				
1 C. W.	1.59⅛	1.57	1.56¼	1.54¾
2 C. W.	1.56⅛	1.54	1.53¼	1.51
Rye:				
2 C. W.	.60¼	.59½	.60	.59⅜

Winnipeg Grain Futures

Week to Dec. 29, 1941

Crop year from Aug. 1, 1941 High	Low		Open Dec. 23	High for week	Low for week	Close Dec. 29	Close year ago
		Wheat					
.79	.72½	Dec.	.73¾	.74½	.73¾	.74¼	.72¾
.82¾	.76¼	May	.77⅜	.77¾	.77⅜	.77⅝	.77⅛
.80⅝	.77⅜	July	.78⅝	.79	.78½	.78¾	.78⅞
		Oats					
.49¼	.35⅛	Dec.	.47½	.49¼	.47½	.49¼	.33¾
.47⅞	.38⅛	May	.46⅝	.47¼	.46⅝	.47¼	.33⅜
.46⅜	.43⅛	July	.45⅞	.46⅜	.45¾	.46⅜	.32
		Barley					
.61⅜	.46¼	Dec.	.59½	.59⅝	.59	.59¼	.44⅛
.62⅜	.49⅜	May	.59⅝	.62⅜	.59⅜	.59⅝	.45½
.61	.55⅛	July	.58½	.58⅝	.58½	.58⅝	.43⅜
		Flax					
1.66½	1.40½	Dec.	1.57	1.59⅞	1.57	1.59⅛	1.36⅛
1.64½	1.40¼	May	1.58½	1.62⅛	1.58½	1.60⅞	1.41
1.64	1.48	July	1.59¼	1.62⅜	1.59¼	1.61¼	1.42
		Rye					
.66	.50¾	Dec.	.59⅜	.60¼	.59⅜	.60¼	.45⅞
.67⅜	.51¾	May	.62⅜	.62⅞	.62⅜	.62¾	.48⅞
.64	.60⅜	July	.62⅞	.63⅜	.62⅞	.63⅜	.49¼

FOOD FOR BRITAIN
Canadian and American farmers can help to win this war, we are told, by producing more food for embattled Britain.
Our Prairie farmers are doing their full part by producing large quantities of bacon, cheese, milk and dairy products including large amounts of the most important war food of all, namely, WHEAT. Our Prairie farmers moreover have piled up a most valuable wheat reserve available to feed the people of the Allied countries at war, and, no less, the people of the World when the war is over.
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Week in Mining

U. S. Authority Sees Gold Needed After War

Modified Gold Standard in Post-War Stabilization Anticipated By Whaley-Eaton — Higher Gold Price Also Seen Logical

In its letter from Washington reviewing background of Roosevelt-Churchill talks on strategy and post-war planning, the Whaley-Eaton Service states there seems to be agreement on the necessity of a post-war gold standard. It sees too, a real possibility of a higher price for gold after the war as an antidote to deflation and to lessen the burden of national debts.

Whaley Eaton sums up this situation as follows:

"On one thing there seems to be agreement and that is the necessity for a post-war gold standard. This does not mean the old, pre-Roosevelt, gold standard but rather a modified gold standard, similar to that now in use in the U.S., and there seems to be at least a possibility that a gold unit of currency for international trade will be established.

* * *

Why Gold Price Boost

"Aside from other vital considerations," Whaley-Eaton continues, "maintenance of a gold standard is highly important to the three great anti-Hitler nations; to the British and Russians as heavy producers of the metal and to the U. S. as the holder of virtually all of the world's monetary gold. Moreover, the logic of the situation is that the price of gold is likely to be increased after the war, both as an antidote to deflation and in order also to lessen the burden of national debts. It should be noted, however, that the American idea is to keep post-war prices, in international trade, stable after the war, and this, if at all attainable, will require very delicate balancing of economic factors.

* * *

Still Mart For Gold

"There is nothing to indicate that the U. S. will stop buying Canadian gold. The question of dollar exchange for Britain and Canada tends to become somewhat academic, since exchanges of goods can be handled, say, by bookkeeping entries."

* * *

Destroy Tin Smelter

When British forces were compelled to evacuate Penang on the Malay peninsula due to the Japanese drive toward Singapore, it was necessary to abandon one of the two tin smelters of the Malay States.

The Malay States ordinarily turn out 85,000 tons of tin or more than a third of the world's supply, and loss of the tin smelter represents a severe blow at regular supplies of this metal.

Before the British evacuated, however, the tin smelter was made completely useless in accordance with the "scorched earth" policy followed in the retreat down the Malay peninsula so that the Jap victory is hollow so far as a source of refined tin is concerned.

The Japanese have been making desultory attacks on the Netherlands East Indies which turn out about 45,000 tons of tin annually but so far these attacks seem to have made little headway.

* * *

No Bulolo News

As latest despatches tell of attacks on New Guinea, it does not appear that intial attacks reported on this territory proved so serious. Officials of Bulolo Gold Dredging have received no word from their property. Information available suggests that Bulolo is probably still in Allied hands although it is admitted that events are moving fast and that New Guinea is definitely in the field of present Japanese objectives.

With the situation developing in the Far East, The Financial Post has received enquiries on Bulolo's assets outside of New Guinea and their composition. Working capital on May 31, 1941, amounted to $4,200,459 or over $4 a share on a million shares of Bulolo issued. A total of $1,147,027 represented inventories of stores which were probably at the property, however, and cash in hands of agents totalled $78,980. These might conceivably be lost by invasion. In this case current assets outside of New Guinea might be about $3 millions or $3 a share.

* * *

Amortization Fund

In addition to its working capital position, Bulolo had an amortization fund of $2,249,841 or $2.25 a share on May 31. This comprised investments at cost of $1,407,600 and cash in banks for the fund amounted to $842,241. The investments were £A200,000 in Commonwealth of Australia War and Works 2¾% Loan maturing Aug. 15, 1945, £A150,000 Australia War and Works 2½% Loan maturing Aug. 15, 1946, and £A50,000 interest free loan to Australia for duration of the war and six months thereafter. Since May 31, 1941, $600,000 of Dominion of Canada 2% Victory Bonds maturing Dec. 15, 1946, have been purchased for the fund.

From these figures, it appears that net assets of Bulolo outside of New Guinea are about $5 millions or $5 a share. If Bulolo equipment in New Guinea should be destroyed through the war in the Far East, it appears likely that the company could carry out rehabilitation without recourse to further financing.

Rouyn Growth Given as 173%

Heavy increases in population for two mining towns over the last 10 years are shown in the latest batch of returns from the 1941 census. Rouyn, Que., jumped 173%. Timmins increased a shade better than 100% over 1931 total. Sudbury was 71% higher.

Among the current returns the only centre to report a decline during the decade is North Bay, down 1%.

Following is the current instalment of census returns:

Population Census

	% Gain or loss	1941	1931
Amherst	+13.8	8,481	7,450
Calgary	+4.2	87,264	83,761
Edmonton	+16.7	92,404	79,197
Medicine Hat .	+1.6	10,473	10,300
North Bay	—1.1	15,357	15,528
Pembroke	+17.4	10,999	9,368
Port. la Prairie	+7.5	7,095	6,597
Rouyn	+173.1	8,808	3,225
Sudbury	+71.7	31,806	18,518
St Johns, Que.	+20.5	13,563	11,256
St. Thomas ...	+10.4	17,045	15,430
Three Rivers ..	+17.6	41,732	35,450
Timmins	+100.4	28,464	14,200

Dosco Increases Pig Iron Output

From Our Own Correspondent

MONTREAL. — Production of pig iron at the Sydney mill of Dominion Steel and Coal Corp. reached 33,000 tons during November, the same as reported a year ago. This represents an increase of about one third over the low point reached in August when output totalled 23,000 tons.

For the first 11 months of 1941 Dosco produced 337,000 tons of pig iron, as against 360,000 tons for the same period in 1940.

Trans-Canada Air Lines Flies 19,000 Miles Day

From Our Own Correspondent

MONTREAL.—Trans-Canada Air Lines activities reached new high levels during 1941, according to H. J. Symington, K.C., president.

The company extended its transcontinental route 118 miles, from Moncton to Halifax in April. It also added an additional daily round trip between the Maritimes and Montreal so that T.C.A. now gives service twice daily in each direction over the 3,200 miles of its main line from coast to coast. Further, the company inaugurated a service from Toronto to New York.

Against 15,000 miles daily at the opening of the year, T.C.A. today operates more than 19,000 miles a day.

Traffic Gain Heavy

Over the whole system increase in the volume of traffic was marked. In January T.C.A. carried 4,190 passengers. Six months later the number doubled and continues at a high level. Approximately three out of four of Trans-Canada's passengers were travelling on business directly connected with the war effort.

The growth of air mail has been great. From 83,460 lb. carried in January the figure has grown steadily so that now the T.C.A. approaches a monthly total load of 140,000 lb.

Air express is almost treble the total of 6,880 lb. for the opening month of the year.

T. C. A. and the War

Improvements were carried out during the year to airport and airway facilities across the Dominion by the Department of Transport. All airports used by the company are now under the management of that department. St. Hubert Airport, Montreal, has been given over entirely to military operations and a new airport for Montreal at Dorval has been opened to commercial operations.

T. C. A. continued to overhaul flight instruments and metal propeller units for the R.C.A.F., to perform military aircraft overhaul at Toronto and afford en route servicing to military aircraft.

In recent weeks, according to Mr. Symington, the company has also undertaken to overhaul aircraft engines and accessories under contract to the Department of Munitions and Supply. That department is presently erecting, adjacent to the Winnipeg shops, a large building in which the work will be performed.

Plan More Services

The full development of Trans-Canada's plans to supply essential air services for the nation, continued Mr. Symington, is necessarily being affected by the course and circumstances of the war. He added that T.C.A. anticipates that its services to Newfoundland and Alaska will be inaugurated as soon as aircraft of the appropriate type can be obtained, the provision of service to those territories by Trans-Canada hasn't been decided upon.

The working arrangements between Trans-Canada and British Overseas Airways Corp. become closer as the demands of war on the companies increase.

Two of Trans-Canada's aircraft were requisitioned for war services in midsummer; the company's fleet now consists of 18 Lockheed twin-engine aircraft.

Montreal Dry Docks Cut Interest Arrears

From Our Own Correspondent

MONTREAL. — Montreal Dry Docks Ltd., paid off two more semi-annual coupons on Dec. 31 last. Payments covered the semi-annual installment of interest, which became payable Aug. 1, 1940, and Feb. 1, 1941, together with interest at 6% on the overdue installments. With these payments, interest arrears on the bonds were reduced to 10 months.

During the period from Aug. 1 to Dec. 1, the company paid 12% on the first mortgage bonds, of which $564,500 are outstanding.

Jason In Ore On 500 Level

Following completion of crosscutting at the new 500-ft. level, Jason Mines is now carrying on drifting in ore in the No. 1 vein at this horizon.

First work in the vein at the new level shows no change in conditions. The initial 10 rounds taken out (representing about 50 ft. of advance) returned an average of $37.68 per ton across an average width of 21 inches, according to E. M. Thomson, president.

The point of intersection by the crosscut was marked by minor faulting with consequent effect on vein width. Drilling ahead indicates that the vein maintains its width of about 3 ft. at this horizon, the average experienced on the upper horizons.

Mining Concentrates

Anglo-Huronian has declared a dividend of 10 cents a share payable Jan. 23, 1942, to shareholders of record Jan. 9. A similar dividend was paid on July 31, 1941.

* * *

Aldermac Copper Corp. has shipped approximately 180,000 tons of pyrite concentrates to the American market the past year, averaging 10 cars a day.

* * *

Gold Eagle Gold Mines reports net working capital of $251,428 on Oct. 30, 1941, compared with $213,829 three months before. Operating profit for the three months ended Oct. 31, 1941, totalled $32,812. Since production has been suspended due to exhaustion of ore, it is not planned to issue quarterly statements in the future. Numerous properties have been submitted to the company for consideration, but only in a few instances has data been sufficiently interesting to warrant study. It is hoped by spring that sufficient information will have been acquired to justify the physical examination of a property of merit.

* * *

International Nickel Co. is reported with its expansion programme well under way. Two mines are being reopened as shaft sinking proceeds at the Murray and Stobie. The Murray mine was the scene of the first actual discovery of nickel in the Sudbury area, the deposit is a very large one and has been extensively diamond drilled by International Nickel in recent years. The Stobie property is located in the Frood mine area and is relatively small compared with Inco's other mines, although the ore is slightly better than the average. The various plants of the company are stated to be handling in the neighborhood of 25,000 tons a day and it is expected that by the middle of next year the aggregate will be increased to 33,000 tons a year.

* * *

Massmore Mining Syndicate has been incorporated with an authorized capital of 35,000 shares of $1 par value, according to the current issue of the Ontario Gazette.

* * *

Pioneer Magnesia & Magnesium Corp. was incorporated with an Ontario charter on Dec. 5, 1941, current issue of the Ontario Gazette reveals. Authorized capital is 100,000 shares of no par value.

* * *

Sylvanite Gold Mines is now milling at approximately 50% of capacity, President E. L. Koons states in a letter to shareholders. Mr. Koons states: "It seems likely that normal production will be reached in the not distant future and, if so, the temporary reduction in earnings will not be serious." Current operations are approximately 300 tons a day. A substantial number of employees remained at work and with very satisfactory police protection furnished by the Ontario government work has been continued, with additional men reporting for work each day, the company states.

* * *

Stadacona Rouyn Mines notes are still being passed on as to validity by the Superior Court in Montreal. The seventh claim based on $6,500 of 8% notes was maintained by Hon. Mr. Justice Boyer.

Quebec Wage Board Reduces Employer Levy

From Our Own Correspondent

MONTREAL. — Quebec Minimum Wage Board has put into effect another reduction in the contribution of employers to support administration costs. It is the second in two years. Employers will now pay 1/6 of 1%, levied on the amount of salaries paid, instead of 1/5 of 1% as previously.

When the Quebec Fair Wage Board was created it was decided to ask employers to contribute financially to its administration costs, but the levy of ½ of 1%, later reduced to 1/3 of 1%, was never collected.

When the Quebec Minimum Wage Board replaced the Fair Wage Board, it asked employers to contribute 1/3 of 1%, promising to reduce the levy gradually. Last year it was cut to 1/5 of 1% and is now reduced to 1/6 of 1%.

Inter-State Royalty Reports on Position

From Our Own Correspondent

MONTREAL. — Inter-State Royalty Corp. reports that at Nov. 30, 1941, investments in oil royalties had a book value of $1,122,205. Gross revenue from royalty income since acquisition amounted to $494,812 to the end of Oct., 1941, and the reserve for depletion $135,396 to the same date.

In October the company had a gross income from royalty and rentals amounting to $2,683, while accumulated income from the same sources for 1941 to the end of October, amounted to $39,868.

U. K. Manages to Spare Base Metals For Russia

Since the outbreak of war, the world metals situation outside the United States has been largely a matter of conjecture. Interesting information on the present situation, however, is given by the London Metal Markets letter of the Canadian Mining Journal which we quote in part:

"The diversion of substantial tonnages of Empire copper, zinc and lead to Russia and of lead and zinc concentrates to the United States has not visibly affected the allocation policy of the British non-ferrous metals control. There is still a sufficiency of supplies of copper and zinc for all essential needs, while British lead consumers are able to obtain limited quantities of the metal for purposes which are not directly connected with the war effort. Deliveries, it is true, are not easier to procure in spite of the improvement of the shipping position, and the control, doubtless now in possession of larger reserves, maintains its policy of close supervision. But those who expected further cuts in supplies as a result of intensified help for Russia have been proved to be wrong.

Look to Future

"Nevertheless a good deal of attention has been paid lately to the question whether Empire supplies of non-ferrous metals are still sufficient to meet the increasing demands of consumers in Great Britain and of the Dominions as well as to supplement the supplies of the Soviet Union and the United States. For the outside observer it is impossible to express an opinion about the present volume of production in relation to demand. All that is known to the public is the fact that the control has so far been able to meet all essential needs with apparent ease. But the news from the United States has raised the question whether the British authorities should not take similar action with a view to bringing more high-cost producers into production. . . .

See Policies at Odds

"To the uninformed observer, it must seem incongruous that a premium is to be paid to high-cost producers in the United States on top of a price that is substantially higher than that paid to British Empire companies, while no attempt is apparently being made to stimulate the production in British countries by similar means. As both the American and the Empire output serve the same purpose, additional supplies should surely be procured from whatever source is cheapest and most efficient and can be made to contribute most speedily."

Canada as perhaps the Empire's largest producer of base metals is keenly interested in the London viewpoint. While low metal prices have perhaps tended to hold back increased metal production, special allowances for depreciation and tax credits have been extended recently to secure increased output. The paying of a special high price for marginal production, however, might have the effect of bringing into operation, mines which could not at present consider production even with tax credits granted.

Ontario Tax Sale Looms Up For Large Claim Holdings

Thousands of acres in various Ontario mining fields will be forfeited for tax arrears and thrown open for restaking if arrears of taxes are not met by June 30, 1942. If payment is not made by Feb. 28, 1942, there is some additional statutory charge due to the cost of additional notice.

Practically every mining area in Ontario is represented in the list published in the Ontario Gazette, with the heaviest holdings centring in the Temiskaming, Algoma, Thunder Bay, Kenora and Cochrane districts.

With interest in silver at the lowest ebb for a number of years, a considerable acreage may become open in the Cobalt area. Large acreages of ground may also become open for restaking in the southern sector of the Larder Lake area and in the Boston Creek area.

Porcupine Ground Involved

Although interest in the Porcupine area remains at a high level, considerable ground is threatened with tax forfeiture in that area. Taxes are owing on a considerable number of claims in Deloro, Shaw, Turnbull, Ogden, Carman, Harker and Bristol twps., to mention but a few.

In the Kenora district a considerable acreage may be forfeited in Jaffray twp., but almost as large an acreage is involved in the Patricia portion, which includes ground in Todd, Dome, Fairlie and McDonough twps., in the Red Lake area.

In the Sudbury area some ground may come open for restaking in the neighborhood of the big producers, International Nickel Co. and Falconbridge Nickel. A total of 85 acres in Creighton Twp. has a charge of $24.70 that has to be met. In Falconbridge twp., over 200 acres may possibly revert to the crown, thus coming open for restaking.

In Hess Twp., where Lake Geneva Mining Co. is located, 71 acres will become open for staking if $26.54 in tax money is not forthcoming.

While prospecting activity in 1941 was at a higher level than in 1940, it was still at a very low level compared with previous years. With interest in developing new properties lagging, incentive to hold mining claims is not so great. Undoubtedly this accounts in large part for the large acreage now threatened by tax forfeiture.

U. S. Plans Big Boost In Magnesium Output

Annual production of 200,000 tons of magnesium annually is the present goal in the United States, according to H. A. Doerner, metallurgist of the United States Bureau of Mines. Magnesium is extensively used in the aircraft industry being lighter and stronger than aluminum.

Production of 200,000 tons of magnesium a year will represent a tremendous expansion beyond anything so far achieved in the United States. Production for 1940 in the United States was only 6,250 tons while output for 1941 is expected to be only around 15,000 tons. Present expansion is stated to anticipate the previous rate of projected growth by four years.

Pandora Cadillac Has New Member on Board

At the annual meeting in New Liskeard, Gordon Jones, Toronto, was elected to the board of directors of Pandora Cadillac Gold Mines, replacing F. L. Hutchison, who remains secretary-treasurer.

Other directors re-elected are as follows: W. A. Taylor, D. A. Mutch, H. W. Sutcliffe, T. J. Day, J. E. Grant and O. L. Knutson. Mr. Knutson is also mine manager.

The meeting gave its approval to an increase in authorized capital from 4 to 5 million shares and also made provision for directors to issue stock at a discount.

Ore produced in the period Sept. 30 to Dec. 15 averaged $8.17 per ton, Mr. Knutson told the meeting. Operating profit in the 16 months ended Sept. 30, 1941, totalled $40,803.

Greater Windsor Dev. Paying 1930 Interest

Holders of 6½% first mortgage bonds of the Greater Windsor Development Co. are advised that the Court has authorized payment of the balance of interest coupons due May 25, 1930, and coupon series No. 6 due Nov. 25, 1930, together with past due simple interest at 5%. Payment is being made through the London and Western Trusts Co., Windsor.

Payment has been authorized in Canadian funds only and the Foreign Exchange Control Board will not allow the Receiver to issue convertible cheques to non-residents as there has not been sufficient revenue accumulated since Jan. 1, 1939, to cover this distribution of $19,400 after providing for depreciation.

Nfld. Salted Codfish Stocks Slightly Higher

Stocks of salted codfish on November 30, 1941, as reported by the Newfoundland Fisheries Board, totalled 386,067 quintals. This contrasts with the 348,784 qtls., on the same date, 1940.

A break-down of the comparative returns follows:

(Stocks at Nov. 30)

	1941	1940
Shore	237,278	237,267
Bank	15,677	49,334
Labrador	133,112	62,183
Total	386,067	348,784

Naybob's Shaft Below 1,075 Feet

Mill Now Handling 200 Tons of Ore Daily — Drills Cut Ore

Sinking of the shaft at Naybob Gold Mines has been carried to over 1,075 ft. and is continuing at the rate of 7.2 ft. per day, the operation being conducted from the 825-ft. level where a complete shaft sinking unit is installed.

The mill is handling 200 tons of ore per day as compared with an average of 153 tons per day in the year ended Aug. 31, 1941.

Development and stoping of the new ore area above the 700-ft. level is stated to be yielding favorable results. Recent drilling at the east end of this area has shown its extension in two narrow but high-grade veins which have returned intersections of $46.90, $167.30, $70.00, $37.45 and $18.55 across 3, 2, 2, 2 and 3 ft., respectively.

Production for the three months ended Aug. 31, 1941, the final three months of the company's fiscal year, totalled $118,349 from 11,354 tons of ore milled for an average recovery of $10.41 per ton. This compares with $133,736 from 13,484 tons of ore and an average recovery of $9.91 per ton in the corresponding period of the previous fiscal year.

Third Drill Working On Marbenor Claims

A third drill has now been put into operation at Marbenor Malartic Mines to speed up exploration, according to J. P. Norrie, general manager. Drilling is being done to test a mineralized zone which extends across the property for a length of over two miles.

In running a water line 6,000 ft. long, in connection with drilling operations, a gold discovery was made in a trench each of the first hole. The gold showing uncovered is stated to be similar in formation to a large gold-bearing boulder discovered south of the zone where drilling is at present being carried out.

B. R. X. Still Looks For Further Funds

Efforts to interest other companies in exploration of the property of B.R.X. (1935) Consolidated Mines, are still being made by directors, it is stated in the company's annual report for the year ended Sept. 30, 1941.

So far there is nothing definite to report. The company has kept its Bridge River mine and mill intact.

STURGEON RIVER UP

November production of Sturgeon River Gold Mines of $42,024 was secured from milling 2,146 tons of ore for an average recovery of $19.58 per ton. This compares with $38,062 from 2,137 tons of ore and an average recovery of $17.81 in the preceding month.

N. C. URQUHART & CO.

Stock brokers and members of The Toronto Stock Exchange, wish to announce that they will retire from business as of December 31st, 1941.

R. J. Breckenridge and H. C. McDonald, formerly of N. C. Urquhart & Co., wish to announce that they have formed a partnership under the name of Breckenridge, McDonald & Co., and will carry on business as stock brokers and members of The Toronto Stock Exchange at 15 King Street West, Toronto, Ontario.

BRECKENRIDGE, McDONALD & CO.

Members The Toronto Stock Exchange

15 King Street West AD. 6028 Toronto

Asnazu No. 2 Dredge Now in Operation

Construction of the No. 2 dredge of Asnazu Gold Dredging has been completed with the unit placed in operation on Oct. 28, 1941, it was stated at the recent annual meeting of Placer Development, a large shareholder. Delay in deliveries of equipment, occasioned by the war, had held up completion.

From May 1 to Oct. 31, 1941, 519,900 cu. yds. of gravel were dredged for a yield of 9,689 oz. of fine gold or $339,115 or 65.23 cents a cu. yd. in United States funds. In the year ended April 30, 1941, the company's No. 1 dredge recovered $491,525 from 860,300 cu. yds. of gravel. Profit for the period amounted to $176,183 before depreciation and depletion.

SOUTH END CALLS MEET

A meeting of shareholders of South End Petroleums is being held in Vancouver Jan. 5 to study means for development of the company's acreage in the north end of Turner Valley.

Shareholders will be asked to grant a sub-lease to Victory Royalties on a quarter section with the lessee obliged to drill from one to four wells on such terms as directors may determine.

Take Over Brokerage Firm

R. J. Breckenridge (left) member of The Toronto Stock Exchange, and H. C. McDonald have formed a partnership under the name of Breckenridge, McDonald & Co. They are succeeding the former firm of N. C. Urquhart & Co.

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1942 Prospects

Record Mine Output Indicated For 1942

Emphasis Now on More Non-ferrous and War Metals as War Widens

By GORDON M. GRANT
Staff Writer, The Financial Post

Prospects appear bright for a new all-time mineral production record for Canada's mining industry in 1942.

While production emphasis is rapidly shifting from gold to non-ferrous metals and special war metals, the trend of mineral production remains unmistakeably upwards.

With the United Kingdom, the United States and Canada forging the weapons of victory, base metal production must and is becoming greater and greater. Gold production retains its place as a major source of United States dollars.

Of importance in peace when Britain first declared war on Nazi Germany, production of war metals is infinitely more necessary now. Supplies of a number of these have been cut off by the war in the Pacific. Such an important metal as manganese, for instance, has been cut off from Soviet Russia.

1942 Prospects For Gold Mining

Undoubtedly it came as a shock to Canada's gold mining industry to learn that gold production would no longer be stimulated by special tax concessions and that steel might no longer be available for expansion of present gold mines or bringing into production of new ones.

This situation did not develop because more gold is not wanted, however, but because steel supplies are not adequate for the war effort. The objective now is to secure the maximum possible output of gold at the least possible expenditure of steel, other supplies and labor.

Production of gold in 1941 may be narrowly higher than the $205 millions of 1940 and it appears likely production will remain high despite interruptions such as the Kirkland Lake strike.

Gold Mining Costs Up

The difficulties confronting gold mining must not be overlooked, however. A progressive and steady upward trend in operating costs has been noted. Supplies in general are up 15%. Actual labor costs have exceeded this rise, due in large part to the growing scarcity of skilled miners, necessitating the employment of larger working forces to maintain tonnage mined.

The problem has been countered partially by close supervision and technical direction, in the effort to offset these rising costs. Gold mining operations showing but a narrow margin of profit and limited ore resources are the ones which may possibly be forced out of production first.

New Disclosures Important

Fortunately for Canadian gold mining, major gold disclosures have been made at a number of mines over the last two years. Output from these mines may be expected to take up much if not all of the slack caused by the dropping off of the occasional marginal producer.

Gold ore disclosures of major proportions were made at at least five mines in 1941: Malartic Gold Fields, Kerr-Addison, MacLeod-Cockshutt, Preston East Dome and East Malartic Mines.

Mines such as these hold many of the hopes of the gold mining industry in the next few years as development of further mines must remain subordinated for the duration of the war.

Gold mining has a certain degree of flexibility which is a valuable asset in wartime. To a limited extent, the present higher level of costs taxation may be offset in part by treatment of a better average grade of ore. As costs rise, it is only natural to leave behind certain material which will no longer show a profit.

1942 Prospects For Base Metals

Emphasis will undoubtedly remain strong on increased base metal production for the duration of the war. In spite of the relatively small incentive to increase output with the low fixed price of the United Kingdom metal contracts, output has been steadily expanded and the base metal mining industry is confidently looking towards new production records in 1942.

Estimates made by The Financial Post indicate production of around 300 million pounds of nickel next year. If that much nickel is actually turned out, it appears likely that International Nickel Co. alone may turn out between 500 and 600 million pounds of copper as a by-product next year. It is possible, however, that ore with a high nickel and low copper content may be treated due to limited facilities for refining copper.

Expansion at International Nickel under the Hyde Park agreement calls for an eventual increase in output of 50 million pounds of nickel a year. Details of the expansion programme have not been released but it seems likely that expansion of copper producing facilities will parallel those for expansion of nickel producing plant.

Inco First, Noranda Second

International Nickel is the dominant factor in both the nickel and copper producing industries of Canada. Noranda Mines, the second largest copper producer, has increased its milling rate this year but major expansion of copper output has been limited by capacity of the refinery of Canadian Copper Refiners.

All signs suggest, however, that a new record for copper production in Canada will be set this year to be followed by another new record next year if the war trend continues unchanged.

Zinc is the scarcest of all the common non-ferrous metals. Normally, it does not pay to produce zinc concentrates in Canada and ship them to the United States due to the high freight and treatment charges and the United States tariff on zinc. This was changed in 1941 due to the steep increase in the price of zinc in the United States. Many producers in eastern Canada are turning out larger and larger quantities of zinc concentrates for shipment to the American market. The bulk of Canada's zinc, of course, still comes from refineries.

Canada has two zinc refineries, one at Trail, B.C., owned and operated by Consolidated Smelters, and the second at Flin Flon, operated by Hudson Bay Mining and Smelting Co. These two plants are going all out in an endeavor to keep up with the zinc demand.

With capacity being increased at many of Canada's major base metal mines and every encouragement being given by Ottawa to producers of war metals, the trend of mineral production appears still unmistakeably upward.

Steel for expansion may not be available for the gold mining industry but output in 1942 is expected to hold not far from the high level established in 1941. Gold disclosures at established properties are expected to play a major role in sustaining output.

What 1942 holds for producers of various metals is reviewed in this article.

Zinc Supply to Jump

The increase in the zinc concentrate producing capacity in eastern Canada added to the refinery output from Trail and Flin Flon points to a quick spurt in zinc output in 1942. Zinc is badly needed both in Canada and the United States to increase brass output for the manufacture of shells, and Canada is making a very real contribution to the war effort by furthering output of this metal.

During 1941, lead became one of the metals for which supplies are not adequate for requirements. Lead had been gradually substituted for zinc in many uses until a shortage of lead itself developed. Canada is shipping this metal to the United States as well as to the United Kingdom.

Increased costs have not had any serious effect on Canada's base metal producers. Under contracts with the United Kingdom allowance was made for increased costs and increased payments are actually being received to offset higher supply and labor charges. Taxes, however, have eaten into some profits where not offset by greater output. The Dominion government has been acting to stimulate base metal production through special depreciation allowances for tax purposes and through special tax credits. A continuation of this policy appears predicted for 1942.

1942 Prospects For War Metals

Preferential treatment will not alone be restricted to the ordinary non-ferrous metal field. It is understood that Ottawa authorities are giving every consideration to developers of war metal deposits.

Sources of metals such as manganese, tungsten, chromium, tin and antimony are much in demand for war needs.

The year 1942 is expected to show the first really impressive production of war metals. Numerous metals have already been placed in production but output has not bulked large except for mercury and antimony. This coming year, however, the flow of war metals will become impressive. Tungsten will be flowing from at least two properties; chromite, the ore of chromium, will be coming from a property in Quebec, and Consolidated Smelters will be turning out about 500 tons of badly needed tin a year.

Producing Manganese

As reported by The Financial Post exclusively two weeks ago Canada has a deposit of ferro-manganese on the Magdalen Islands in the Gulf of St. Lawrence — owned by Magdalen Manganese Mines — which may make Canada an important producer of this mineral. Already Nabco Manganese, operating in New Brunswick, is turning out this metal.

The war metal field is one of the few remaining where it is not likely that high taxes will cramp initiative.

Greater Aid Coming?

Canada has not gone as far as the United States in subsidizing production of war metals, but world supplies of many a strategic mineral are now being interrupted and the government's aid to the war metal industry appears likely to become greater rather than less. Developers of war metal properties have found it difficult to secure funds for opening up properties of little known metals. Investors are familiar with gold stocks, but they don't know the possibilities—and the pitfalls—of the lesser known metals.

However the Dominion Bureau of Mines at Ottawa has been assisting in the testing of samples and knowledge on war metals is becoming more extensive. When a number of deposits have been placed in profitable production, investor interest will probably tend to become greater. This is the trend which mining people hope will take place in 1942 to give Canada greater self-sufficiency in strategic minerals.

1942 Prospects For Iron Mining

When summing up Canada's mineral production, iron has often not been mentioned. But iron mining is becoming of importance to this country. Algoma Steel Corporation will produce a record quantity of iron ore sinter from its Helen Mine this year and production next year will be up to the limit of plant capacity from all indications. Iron is one of the minerals the Metals Controller has asked Canadian mining companies to search for. Development of the Steep Rock iron deposits is coming ever closer, it is claimed, and the Steep Rock project may proceed towards the production stage this coming year. Sherritt Gordon and associates are sinking a shaft to develop a hematite deposit explored by diamond drilling in the Michipicoten area and this is another important prospect for high grade iron production. The Moose Mountain deposit in the Sudbury area may possibly see further development.

Canada's Alumina Ores

As investigation of alumina-bearing rocks of Ontario and Quebec proceeds, and experimentation progresses, the possibility of a domestic ore for aluminum is increasing. Many of Canada's alumina-bearing rocks have too high a silica content to be desirable, but there are understood to be other alumina-bearing deposits in which the silica content is not too high. Next year is expected to see further progress as engineers of Aluminum Co. of Canada and Ventures interests of Toronto continue their investigations.

1942 Prospects For Metal Prices

Most of Canada's copper, lead and zinc will continue to be marketed in the United Kingdom during 1942 at the relatively low fixed prices which existed just prior to the outbreak of war. These contracts call for the sale of fixed amounts of metal each year, however, and it is possible that increased production may be marketed either in Canada or in the United States which needs much greater supply of metal than it possesses at present.

U. S. Prices Higher

Prices of copper, lead and zinc in the United States are all much higher than either those in Canada or those called for under United Kingdom contracts. Consequently, sale of metals in the United States might bring a relatively sharp increase in the value of output next year. So far the increase in Canada's mineral output has been about the same for both value and quantity. The 10% exchange premium on gold has been the chief factor in making the increase in value rather greater than the increase in quantity output of metals.

While market prices of some of the war metals have increased substantially in the last year it appears possible further market mark-ups may take place with many supply sources cut off and demands of war industries still increasing. A rationing of peacetime uses may help keep demand within available supply, but there appear to be strong forces at work to push the price of some of these metals upwards if price fixing in the United States is not undertaken. In the case of mercury, a higher price was found to bring a substantial increase in output in the United States and it may be decided to allow prices of these minor but important metals to continue their upward trend in the hope of stimulating production.

Profits in mining may not be so great in 1942, taken as a whole, but it appears that scope of the mining industry will be considerably extended. Our high level of production of base metals may be depleting our ore resources, but new metals and new deposits may be opened up to allow stabilization of the industry.

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Magdalen's Manganese Noted Back in 1880

That manganese-bearing rock has been known to exist on the Magdalen Islands since 1880 is revealed by a 24-page survey of the manganese deposits of these Gulf of St. Lawrence Islands by Dr. F. J. Alcock of the Geological Survey of the Dominion Department of Mines and Resources. This survey appears in the December issue of the Canadian Institute of Mining and Metallurgy Bulletin.

Opening of a high grade manganese showing on these islands was first revealed in The Financial Post issue of Dec. 13 and was then announced by A. O. Dufresne, Quebec deputy minister of mines.

Actually the deposit, now owned by Magdalen Manganese Mines, was discovered nine years ago and staked in 1939.

Visited by Jacques Cartier in his journeys, the Magdalen Islands have been surveyed several times by government geologists since manganese was first reported in 1880. Samples sent out for assay have shown a relatively high manganese content when it is considered that manganese ores running as low as 13% manganese oxide are now being worked in the United States.

Dr. Alcock quotes old assays for ore from a number of the Magdalen Islands contained in a Quebec report of 1904. These assays are as follows:

	Grindstone Island Ore %	Etand-Du-Nord Ore No. 1 %	Etand-Du-Nord Ore No. 2 %	Amherst Island Ore %	Location Unstated Ore %
Mn	50.36	56.56	49.33	51.29	64.62
Fe	10.62	0.82	1.44	3.89	[illegible]
SiO_2	1.62	0.70	5.84	3.96	1.49
P	0.004	0.068	0.068	0.029	nil
AlO*	....	....	....	....	1.55
FeO†					
H_2O	....	....	....	....	0.80
O	....	....	....	....	31.63

Symbols: Mn, manganese; Fe, iron; SiO_2, silica; P, phosphorus; AlO*, aluminum oxide; FeO† iron oxide; H_2O, water; O, oxygen.

It is interesting to note from these assays that content of the impurity phosphorus is low. Sulphur content is not given. Content of silica is below the point at which any penalty would be suffered in marketing.

Three grab samples, representing high grade, medium grade and low grade ore, were assayed by Bethlehem Steel Co. with results reported as follows:

	High Grade Ore %	Medium Grade Ore %	Low Grade Ore %
Fe	1.63	1.91	2.36
Mn	56.10	33.35	29.10
P	0.062	0.052	0.058
S	0.021	0.063	0.030
SiO_2	3.90	37.17	42.57
Al_2O_3	....	4.61	....
CaO	....	0.23	....
MgO	....	0.46	....
BaO	0.42	0.59	0.33

Symbols: Fe, iron; Mn, manganese; P, phosphorus; S, sulphur; SiO_2, silica; Al_2O_3, alumina; CaO, calcium oxide; MgO, magnesia; BaO, barium monoxide.

Assays for sulphur were made in this case with sulphur content found to be generally lower than that for phosphorus.

Meteoric waters are suggested as the origin of the manganese values on the Magdalen Islands. Three types of manganese mineralization are noted by Dr. Alcock with the replacement type of deposit considered the one possessing commercial possibilities. Volcanic rocks are stated to be undoubtedly the source of the manganese in replacement deposits since they have a relatively high manganese content.

Suggests Exploration Plan

From his studies, Dr. Alcock believes that beneath the red sandstone formation is the best place to look for manganese ores. Concerning exploration of this sandstone, Dr. Alcock states as follows:

"Shallow drill holes put down through the sandstone cover to the older rocks below would probably be the quickest way to get information about this unconformity and to discover where, along it, deposits of manganese occur. It would seem probable, since ore has been found on this surface where development work has been carried down to it, that at other places along it, additional deposits may be discovered."

Staked by Storer and Porter

Claims were staked by J. W. Storer of Toronto and W. G. Porter of Toronto in 1939 (the Storer claims are now held by Magdalen Manganese Mines). The Storer claims are mainly on Grindstone Island with four on Amherst Island. Mr. Porter staked claims on Amherst, Grindstone, Alright and Grosse Islands.

Week in Oils

Need More Pressing

From Our Own Correspondent

CALGARY.—While the production outlook for 1942 for Turner Valley and other proved or potential oilfields in Alberta is better than ever before, the Alberta petroleum industry sees in the outbreak of war in the Pacific an urgent need of further stepping up oilfield development.

Already several allied oil tankers have been attacked by submarines within sight of the Pacific coast, and tankers have already been diverted from the Atlantic seaboard to supply the expanding American naval needs in the Pacific. The diversion of and loss of tankers is expected to further and perhaps very greatly curtail the amount of foreign produced petroleum products that can be imported into Canada during 1942.

The nation-wide oil rationing plan, scheduled to go into effect next April 1, should be and probably will be initiated earlier. The Canadian prairies and west coast will have to rely in increasing degree on oil from Alberta fields.

* * *

What Westerners Think

Alberta fields must not only continue to supply the increasing needs in the prairie area but must also make up the shortage that will result from a reduction of imports to the Pacific coast, western sources feel.

The attitude in these circles is that Turner Valley and other potential light crude areas now under development must supply more and more light oil—to be turned into motor and aviation fuel. The Vermilion, Wainwright, Princess and other heavy oil areas must step up production—to be turned into Diesel fuel for the railways linking the Pacific ports.

* * *

30 Wells Drilling

The number of drilling wells in Turner Valley stood at 30 as 1941 drew to a close—a 50% increase over the number drilling during the summer of 1941 and a figure equalling the record set early last spring.

The number of drilling wells was boosted by the spudding in during recent days of three new tests in the north extension, and another new test on the central west flank.

Added to the list of drillers were: Bonaventure Royalties No. 1, north extension test backed by Montreal interests, and located in L.S.D. 16 24-21-4w5; Northend Petroleums No. 3, north extension test in L.S.D. 4 20-21-3w5; Major Oil Investments No. 12, north extension test in L.S.D. 4 36-21-4w5; and Calmont Northwest No. 5, in L.S.D. 6 18-19-2w5 on the central west flank. The three new north wells are financed publicly through the issue of preferred net royalties. The Calmont well is a joint venture by Calmont Oils and the Northwest Co.

* * *

Test Three New Areas

Another three potential oilfields are expected to be added to the growing list of areas under development within the next few weeks.

Atlas Investments and the F. I Batcheller group of Vancouver have acquired a large block of acreage in the Pouce Coupe area of northwestern Alberta, and announce that a well will be started in the near future.

Clonmel Petroleums, a new Toronto-backed company, has taken up a large block in the Bruderhiem Area 35 miles east and north of Edmonton, and is slated to start its first well in the immediate future.

New Ranchmen's Oil & Gas Co., recently organized by M. J. Davies and B. O. Jones of Calgary, has taken over extensive holdings around Aldersyde, 20 miles south of Calgary, and is now completing arrangements for a drill-test.

* * *

Tilley Gets Test

Newly added to the list of areas under development are the Tilley and Oyen-Cereal areas due east of Calgary, on the central Alberta plains. The Northwest Co., subsidiary of Imperial Oil, has spudded in its Tilley No. 1 test in L.S.D. 1 7-17-12w4, and is now drilling below 600 ft. The McColl-Frontenac Oil Co. has spudded its first Oyen-Cereal test in L.S.D. 4 5-32-4w4, and is now below 300 ft. Light rotary equipment is being used at both new ventures.

Carib Syndicate To Pay Dividend

Shareholders of Carib Syndicate have been notified that in accordance with "plans for complete liquidation of the company" adopted at a special shareholders' meeting on May 27, 1941, the board of directors has declared a second distribution in liquidation amounting to 50 cents per share payable Jan. 12, 1942, to shareholders of record Jan. 2.

It will not be necessary for shareholders to send in their stock certificates to secure the distribution, it is stated. Prior to Dec. 31, 1944, after all liabilities of the company have been met or provided for, any remaining assets will be liquidated and a final distribution will be made to shareholders.

These Mines Entered Production During 1941

	Metal Produced	Production Started	Daily Rate Tons
Bonetal	Gold	Nov. 1	100
Chromite Ltd.	Chrome	......	50
Consol. Smelters	Tin	Oct.	500
Canada China Clay	Clay Silica	Oct.	350
Goldorel	Gold	Nov.	......
Goldwood	Gold	......	40
Hoyle	Gold	Jan. 23	600
Jerome	Gold	Aug.	500
Lake Geneva	Lead Zinc	Aug.	100
Nabco	Manganese	Dec.	150
Ptarmigan	Gold	......	100
Quyon Molybdenite	Molybdenum	......	150
Red Rose (Smelters)	Tungsten	......	......
Slave Lake	Gold Tungsten	Jan. 7	50
Springer Sturgeon	Barite	May 23	100
Thompson-Lundmark	Gold	Aug. 20	100
Yama	Gold	Oct.	70
Zincton	Lead Zinc	Jan.	200

Tungsten Ore Hunt Extends To Many Mining Fields

With supplies of tungsten from China dwindling the past few years, Canada has joined with the United States and other democratic countries in an attempt to develop other sources of supply.

Tungsten concentrates are now being shipped to New York from Slave Lake Gold Mines in the Northwest Territories and it is understood that the Red Rose tungsten property of Consolidated Smelters at Hazelton, B.C., is also in production.

Besides these enterprises, tungsten is flowing from a number of sources and prospects appear bright for further producers in 1942. A number of the larger gold mines such as Hollinger and Preston East Dome have been turning out the tungsten-bearing ore, scheelite, and a number of other tungsten discoveries have been reported recently. One discovery has been made 12 miles out of Halifax where a scheelite vein is stated to have been opened up for a length of 250 ft.

Use Short Wave

The Dominion Department of Mines and Resources is making extensive use of a short wave ultraviolet ray lamp to detect the presence of scheelite, which is the principal tungsten-bearing ore found in Canada.

The scheelite frequently occurs in gold-bearing veins, though seldom in quantities sufficient to be recovered at a profit, and its production from Canadian gold mines represents a direct contribution on the part of the companies concerned to the war effort. The presence of scheelite in mine workings can be readily detected by its brilliant bluish fluorescence under ultraviolet light and purple filter. This method was used recently by an officer of the Department to inspect approximately 40 gold workings in the Porcupine, Kirkland Lake and other areas in Ontario and in the Amos and Val D'Or areas of western Quebec.

To encourage the production of scheelite from domestic sources, high-grade scheelite concentrates from hand-picked ores are now being produced in the ore-dressing laboratories of the Department of Mines and Resources. The ores are secured mostly from gold mines in Ontario and Quebec, although some fairly large shipments have come from mines in British Columbia, and a few smaller ones from the Mayo area, Yukon.

400 Yellowknife Veins

Tungsten-bearing veins discovered the past two years in the Yellowknife - Beaulieu River area, Northwest Territories, have been examined by two geologists of the Department of Mines and Resources. Approximately half of the 4,000-square mile region is underlain by rocks in which scheelite, the tungsten-bearing mineral, might occur, and within these rocks 400 or more veins containing varying amounts of tungsten have already been found. So far only about 5% of the favorable ground has been carefully prospected for scheelite.

Most of the 200 or more scheelite veins examined by A. W. Joliffe and R. E. Folinsbee, the two geologists, lie within 10 miles of Gilmour Lake, which is 45 miles east of Yellowknife. None of them is sufficiently large or rich to be mined profitably for tungsten alone, but by certain alterations in the equipment of one or more of the gold milling plants in operation, or to be erected in the region, high-grade scheelite concentrate could be recovered. This is already the case at Slave Lake Gold Mines.

Found at Con in '39

Scheelite was identified in the gold veins at the Con mine in 1939. It was not until 1941, however, that concentrated efforts were made to search for and develop tungsten-bearing deposits. No veins of an obviously commercial character were discovered during this summer's work but the many occurrences within the small area intensively prospected are a favorable indication that there may be commercial deposits in the region and further prospecting has been recommended.

When supplies of strategic minerals are exceedingly scarce, it often is found desirable to recover them even if this cannot be done commercially. Steps in this direction are being taken in the United States in regard to various minerals. While a shortage of tungsten threatens the democratic world, the Axis powers seem to be in a still more serious way for adequate supplies. Scheelite is stated to be selling at $1,500 a ton in Canada but Germany is reported to be paying the equivalent of $20,000 a ton for supplies now. When Germany was collaborating with Russia, it was probably possible to secure Chinese supplies, via Russia. This situation no longer exists and supplies of tungsten open to Germany appear to be quite small.

NEW AUGARITA DIRECTORS

Following election of three new directors, the board of New Augarita Porcupine Mines is as follows: A. H. Seguin, president, W. H. Bouck, secretary-treasurer, John W. Tovell, J. J. Gray and G. E. Buchanan.

The present development programme envisages expenditure of $100,000 through the carrying out of exploration from the 1,050-ft. level crosscut driven from the Preston East Dome workings.

Mining Enquiries

God's Lake

How have things been going at God's Lake Gold Mines? I have held shares in this company for some time but there has been little excitement of late.

Treatment of a lower average grade of ore in the September quarter caused God's Lake Gold Mines to show a sharp reduction in operating profit as compared with the three months ended June 30, 1940. Operating costs were down but this was more than offset by the decline in grade. No official statement was given out concerning the treatment of lower grade ore but it is possible that increased emphasis on development may be bringing treatment of a larger proportion of development ore, thus reducing the average grade of ore treated.

There has been no outstanding development recently in the God's Lake situation. For a long period the company was concentrating on shaft sinking and this tends to hold back anything in the way of ore news. Now that the shaft is completed and exploration at depth in the western area is getting under way, chances for more exciting news would seem to be greater. The company has a strong financial position and completion of shaft sinking may now result in some upturn in operating profits realized through lower costs.

Oil Royalties

As a banker I have had numerous enquiries on oil royalties. Advertised "returns" of 30% and more have been brought to my attention. Will you discuss for me the actual situation as regards these returns and what the investor may expect from this type of investment?

It is well to distinguish between this type of return and the actual return on an ordinary investment.

An oil royalty is a wasting asset and consequently at least part of the money paid out must be considered as a return of capital which must all be returned over the length of the life of the well. The Ontario Securities Commission advises that due allowance be always made for return of capital until the entire purchase price of an oil royalty has been liquidated. Payments after that can be considered as all net income in the true sense of the word.

Some of the larger oil wells brought into production in Turner Valley have shown their ability to return their entire purchase price in as short a period as two years with all production after that profit or income. Wells in the north end of Turner Valley have been proving exceptionally good wells and much larger than the average well in the central and southern sector of Turner Valley field. Of course, many much smaller wells have been brought into production and not all wells will be large.

In royalty investing, great care must be taken in selection of the individual royalty and to secure a proper diversification between various wells. The life of any individual well cannot be accurately predicted.

When all the royalties for drilling a well have been sold, a secondary market often develops. Some of these royalties have been pushed up to levels sometimes higher than their apparent intrinsic value. This is one reason why the individual royalty offered—and its price—must be scanned carefully.

Pickle Crow

My broker has advised me to dispose of my holdings in Pickle Crow Gold Mines, saying that values have been much lower at depth and he is afraid this will be just another salvage proposition. Sale of these shares at this time would mean taking a considerable loss and I would like what comment you would care to make on the current situation at the company's property.

While prospects of any increase in profits from Pickle Crow Gold Mines have been given a serious blow by the lower ore values encountered in work at depth on the main Howell vein, the situation is not quite as serious as might first be thought. Development of the new "north mine" at the 750-ft. level has disclosed a considerable tonnage of high grade ore which will go far to offset reduction of values at depth in the Howell vein. Diamond drilling of the new north zone shows the vertical continuity of values and a new shaft is to be put down from the 750-ft. level to allow the opening up of this occurrence at greater depth.

To offset the lower average grade of ore in the main zone the company has commenced milling of a larger tonnage of ore and hopes to maintain the profit per share at close to the present level in spite of higher operating costs and increased taxation.

Tex-Tor Oil

Can you furnish me with any information on the capitalization, earnings, dividends and royalty payments of Tex-Tor Oil Corp.?

Tex-Tor Oil Corp. has to date made three dividend payments of 5 cents each. These have been as follows: December, 1940, June, 1941, and August, 1941, all payments having been made in U. S. funds. These disbursements have been dividends and not royalty payments inasmuch as there are no royalty interests outstanding in this company.

Tex-Tor is capitalized at 92,000 shares, $1 par. Unit holders in March, 1940, received 23 shares plus $3 Canadian in cash for each unit held. At the present time the company holds a one-half interest in 830 acres in Young County, Texas. On this acreage there have been 12 wells drilled, of which 11 are producers, four of these having been drilled this year with all of the latter four now being in successful production.

The company has a very limited shareholders' list, we understand, and in view of this narrow interest, its shares are not quoted on any market. Also, in view of the fact that this is a small company, the officials do not publicly disclose all the operating details. Should you desire further information on this organization we would suggest that you get in touch with W. R. Salter, 112 Yonge St., Toronto, who is one of the directors of the company.

Sarnia Oil & Gas

An estate of which I am an executor holds a block of shares in Sarnia Oil & Gas Co. I have been unable to secure any information on this company from other sources and would appreciate (a) information on the company's present position and (b) the current market on the company's shares if a quotation can be secured.

Sarnia Oil & Gas Co. Ltd. produces about 10 million cubic feet of gas a year from a single well in the Petrolia area, with resulting revenue amounting to slightly over $5,000 a year. From this revenue net income of about $1,800 to $2,000 a year is secured, it is understood.

As there were 650,000 issued shares of Sarnia Oil & Gas Co. at last report, it is obvious that income available for distribution to shareholders has not been adequate to pay dividends.

We can find no market for the company's shares in Toronto brokerage circles.

Aldermac Copper

Shares of Aldermac Copper Corp. have been somewhat stronger marketwise in recent weeks. Have you heard of any new development that might account for this?

The increased demand for copper arising out of the war has meant little in the way of extra profit for Aldermac Copper Corp. The company turns out a large quantity of copper each year on its current milling basis of 1,000 tons daily, but with a fixed price being received for most of the company's output, revenue from this source has not shown any tendency to increase.

Production of pyrites has aided the company in its struggle to achieve profitable operations, a struggle in which each item of cost must be watched closely. Base metal stocks, including Aldermac have been stronger the last two months but so far there has been little of a concrete character to which this condition might be attributed. Some mines are increasing capacity but not Aldermac.

ROUYN CUTS TAX RATE

Council of Rouyn, Quebec, has reduced the tax rate for 1942 from 2 to 1.8%, the lowest rate ever fixed in the history of the area. The rate compares with 2.2% for 1940. The low 1942 charge was made possible by a reduction in water rates by Noranda Mines and by a grant of $2,500 a year for the next five years from Stadacona Rouyn Mines.

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Distillers-Seagrams Issues Optioned Stock

From Our Own Correspondent

MONTREAL.—Distillers Corporation-Seagrams Ltd., reports that the Schwengel option has been exercised with respect to an additional 150 common shares, for which the company received $22 a share, Canadian currency. This brings the number of common shares outstanding to $1,753,570.

Editors Call for Wider Government

Financial Post Survey Finds Many Demand Union Government

BRAMPTON CONSERVATOR,
C. V. Charters.

By a majority of 2,252 the County of Peel, in the election of 1917, endorsed the formation of union government and the policy of conscription of total man power and of the natural resources of the Dominion. Insofar as it is possible to be ascertained, the sentiment of the county has not changed. This view is borne out by the attitude of Canadian Legion branches and other bodies. Those who are willingly giving their best cannot be persuaded that their refusal to support the King government should deprive 40% of the citizenship of Canada from any voice in the conduct of the war. All races, all creeds, all classes are asked to serve with the forces and to bear their share of taxation and are doing so. A union administration will command support for the all-out war effort demanded by all classes of citizens, which up to the present time has not been found possible. A government representative of all the people will ensure the harmony necessary to the effort now so urgently needed.

BRIDGEWATER BULLETIN,
F. J. Macpherson.

Any machine runs better without friction. Co-operation is necessary for all-out effort to win victory. Coalition would result in the encouragement of forces now on front line, and hearten the people in Canada, that all is being done to win.

DAUPHIN HERALD & PRESS,
W. S. Marsh.

No; the present government can get as close to public opinion as a coalition could. With its present house strength, the government has authority from the people to determine all major issues and it would continue to do this even if it took members of other parties into the cabinet.

CARLETON PLACE CANADIAN,
F. A. J. Davis.

Unity in Canada's war effort is more important than political advantage. Until this world conflict is over Canada's full support cannot be given by divided forces. Union government, in which all major political parties are represented as well as other outstanding Canadians, would seem to be the solution. Let's fight as Canadians, not as political opponents.

PENTICTON HERALD,
G. J. Rowland.

If some of our democracies, long sheltered by circumstances, do not speedily put true union government into effect, they are tragically falling short of the urgent demands of the present situation. This applies emphatically to the Canadian Federal scene. Here in British Columbia, now in the very path of Pacific war, fortuitous circumstances have placed a coalition administration in charge of provincial matters. The upswing of public confidence, as a direct result, has been startling. It points an object lesson to a more important capital, Ottawa. When peace comes, we can return to the democratic safeguard and privilege of organized opposition in administration. But to cling to such a luxury today is to invite removal of the whole process of government as we know it.

RENFREW MERCURY,
F. Roy Sayles.

We could not favor union government for Canada, even if we had the privilege of selecting the men for it. Our memory is too clear regarding Canada's last union government and what it did to the country, its war effort and the forces.

SHERBROOKE RECORD,
J. K. Flaherty.

Definitely and decidedly in favor of a union government at very earliest date.

HUNTINGDON GLEANER,
A. L. Sellar.

Canada needs party government in order to maintain a constructive opposition. Rural public in general feel the Liberal government under leadership of Premier King is keeping abreast of the times and is making what changes are essential at the psychological time. Premier King's deferred trip to England demonstrated his political astuteness. A United Canada to win the war must pin its faith in the Liberal government without wasting time and effort through creating a new government. The British Empire is pinning its faith on Premier Churchill. Let us not break faith in the party we elected to office in 1940 when we are in the midst of the battle.

VERNON NEWS,
W. S. Harris.

Blanket endorsation of union government is unwise until all the circumstances are elaborated. For instance whom have you selected to fill what posts? Is this part of a drive and if so who is behind it? Have you young, forward-looking Canadians and, if you have, how do you propose to seat them? We believe that Canada has not made the greatest possible contribution to the war, but war conditions make necessary a government, members of which are not first concerned with party advantage. High pressure on men straining every nerve is not going to improve, but may be distinctly detrimental, to war effort.

CHILLIWACK PROGRESS,
C. A. Barber.

I believe a government representative of leading political parties and major interests could create a sense of oneness of purpose and solidarity throughout the country. Success of any such union would depend upon the equipment, capacity and singleness of purpose of the leaders selected to represent groups. Surely Canada, in this grave hour, has the men, the conscience and the faith, to unite as never before.

QUEBEC CHRONICLE-TELEGRAPH, C. G. Dunn.

By all means formation of a union government, truly representative of all major parties and interests, is the only proper and safe course for Canada to pursue in the present world crisis.

HUNTSVILLE FORESTER,
H. E. Rice, publisher.

We believe union government, representative of all parties, essential for Canada's best war effort. This belief is strengthened by new developments in the Far East. Such union government should carry on for duration of the war. We have advocated this consistently for many months.

LE CLAIREUR, BEAUCEVILLE,
Georges Bonin.

Le Claireur is unalterably opposed to union government because it might become a refuge for sinners. About that point the press agrees if it is a real union cabinet. However, our opinion is that it is impossible to have one because of political intrigues. We think that the King government is taking a reasonable part in the war. (Translation).

THE SACKVILLE TRIBUNE,
C. W. Moffatt.

Re your telegram, emphatically no.

L'ACTION CATHOLIQUE,
The Editor in Chief.

It is possible a union government would make as many mistakes as the present government and it is possible union government would have schemes neither good for war nor peace. The union government of 1917 was not a national unity government.

LA CHRONIQUE, THREE RIVERS,
Paul Dupuis.

The present government is doing splendidly. I fail to see how a union government could improve the situation. Why not let well enough alone.

ST. PAUL, ALTA., JOURNAL.

Like Laurier, we believe in party government. Mackenzie King and his ministers are doing admirably in the war effort. No, we are opposed to union Government for we know too well that it would not be representative of all major parties. Union will be too much in the interest of all major interests. Heaven forbid that we have a repetition of the squander, the inflation, the high prices and the cruel suffering, the insolvency, the loss of real and personal property of the smaller business men in the towns and villages and the creation of an aristocracy of near millionaires in 1917-1918.

HANNA HERALD,
Mrs. L. M. McCrea.

Favor union government representative all major political parties and interests.

ST. JOHN'S NEWS & ADVOCATE,
L. G. Gage.

Most certainly feel that all parties should have part, not only in the routine of our war effort, but in its planning and direction as well.

THE CALGARY HERALD.

The Calgary Herald has on many occasions in the past year advocated in its editorial columns a union government which would represent the united thought of the country.

SWAN RIVER STAR & TIMES.

It is absolutely necessary that union government be formed before Canada can produce its maximum war effort and anything less than that at the present time is not sufficient. Political parties as such should be put in the discard for the duration and the best men we have should be drafted to lead this country in the present crisis. If this was done people would have more confidence in the government and would co-operate more wholeheartedly in such war measures as the government might devise. The present government would have to initiate such a reform. Is it big enough and sincere enough to do it?

SHAWINIGAN FALLS STANDARD
D. R. Wilson.

Like the vast majority of Canadians, I favor an all out war effort but, remembering as I do that the last union government was the most inept, inefficient and wasteful government which has ever misgoverned this Dominion, I am utterly opposed to a second experiment.

Would favor a non-partisan war council composed of leading statesmen and the best brains of their country and I am convinced that the present government is making a sincere effort in this respect.

PRAIRIE OPTIMIST
J. E. Branch, Editor,
Model Publications

Total war calls for total government.

New Punctures Made In The Price Ceiling

More exemptions to price ceiling regulations include a number of canned and processed fish lines as well as all fresh fish, according to Canadian Grocer.

Under this newest announcement there are to be no ceilings as far as processors, wholesalers and retailers are concerned on canned herring, clams, haddock, codfish, smelts, mackerel, hake and halibut.

The first three are canned in fair quantities and codfish is shredded. The sardine is a herring and so is exempt.

Ceilings evidently remain on canned salmon, tuna, crab, pilchards, oysters, etc.

So the grocery trade can add the above mentioned canned and all fresh fish to fruits and vegetables which were exempt shortly after price ceilings were announced in the first place.

While this is a measure of relief to the food trade, it still leaves such leading items as tea, canned foods, soaps, canned lobster and a number of others in the spotlight.

Tea Difficult Problem

Tea is a difficult problem. Many retailers across Canada have price ceilings far below replacement values even during and before the base period, Canadian Grocer points out. Tea is being sold at 85 cents a pound which cannot be replaced for this price today, or even during the base period.

In this case the Board has taken what is interpreted by many as the first step toward establishment of uniform price ceilings, a policy which the Board has intimated is one of its objectives.

B. C.'s Difficulties

In British Columbia there is a special problem as a result of the Dominion price control legislation. That province has its own price-fixing law allowing a 5% mark-up on cost. It is quite probable in many cases that holding to the provincial regulations which require this 5% mark-up, may mean puncturing the Dominion price ceiling.

Dumping duties have been removed from every item with the exception of fruits and vegetables. The duties were taken off to facilitate administration of the price control regulations.

Dom. F'dries Tin Mill 100%

Capacity operations continue at the tin plate mill of Dominion Foundries and Steel, although the outlook for future tin supplies is uncertain. The recent order freezing stocks of tin in Canada and the subsequent release of the metal for essential civilian uses, notably the food industry, has to date not materially affected the company, it is understood.

Tonnage output of the Dominion Foundries plant for 1941 was ahead of that of 1940. Costs were up somewhat during the year, due to cost-of-living bonuses and higher material costs.

Indicative of an improvement in earnings, however, over the 1940 net of $1.18 a common share, is the extra dividend of 25 cents a share being paid this year. This brings total dividends for the year to $1.25 a share against $1 in 1940.

No major programme of plant construction was embarked upon during 1941.

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New Political Harmony in B. C.

But New Deal With Ottawa Gives Hart Problems

From Our Own Correspondent

VANCOUVER — Many complex problems face British Columbia's coalition government when the legislature re-convenes early this month, and the pioneering job being undertaken by Premier John Hart in adapting his cabinet to a non-party course will be only one of the minor difficulties.

Most of the complications, of course—even the matter of coalition administration—are directly traceable to the war, and British Columbia politicians, businessmen and everyday citizens are beginning to realize that this province's geographical remoteness from the scene of action has been obliterated by the events of the past few weeks.

During the past few days oil tankers and other ships have been attacked by enemy submarines within a few miles of the west coast. The supply of tank ships was already limited on the Pacific and the loss is for that reason all the more serious.

Normal shipping facilities on this ocean have long been a thing of the past, but at least a semblance of regular service was being maintained by some lines until the Japanese assault on Hawaii, the Pacific islands and the Far East. Since then cargo arrangements have been largely a matter of improvisation, and the effect on British Columbia's export trade is certain to be severe before long.

One more vital interest to the Provincial Government has been air raid protection of the larger coastal cities in British Columbia, and the Provincial Government has already made appropriations for that purpose.

But indirectly the various changes in British Columbia's economy and way of life as a result of war on the Pacific will have repercussions on the Provincial Government's programme, and Premier Hart is not unaware of that fact.

Many issues concerning the war's effect on British Columbia are likely to be dealt with during the coming session, but at the moment the government's programme for adjusting itself to the new financial setup with Ottawa whereby this province will forego income taxation for the war's duration seems likely to be the major accomplishment.

Mr. Hart will probably have something to tell the legislators about the measures he proposes to adopt to meet a maturing $20,100,000 guarantee of the Pacific Great Eastern Railway.

So far as anyone may judge, coalition government is running smoothly so far and the new ministers who as Liberals and Conservatives were often in conflict with each other during the past few years have been working in complete harmony.

From the political standpoint most of the interest of the session will be focused on the attitude and behavior of the new official opposition, the C.C.F. headed by Harold Winch.

While Winch declined to commit his party to a three-party Union Government, saying that the basic principles of the other groups were too fundamentally different from those of his own party, there is every indication that, in view of wartime conditions, the Socialists will be co-operative.

Cotton Plants' Activity High

MONTREAL. — Canadian cotton textile mills continued to operate at a high level during November, according to figures released by the Cotton Institute of Canada.

Last month, 45,944 bales of cotton were opened in Canadian mills compared with 52,664 bales in October, the all-time high record. In a most significant comparison with November last year, the current figures showed an increase of 5%.

For the 11 months period bales opened in Canadian mills totalled 500,155. This represents an increase of 6.8% over the 468,051 bales opened in the first 11 months of 1940, and an increase of fully 65% over the 303,251 bales opened the first 11 months of 1939.

	1937	1938	1939	1940	1941
Jan.	27,027	23,623	19,215	38,952	42,268
Feb.	28,608	21,332	20,394	43,455	44,911
Mar.	33,089	25,606	24,907	44,464	45,515
Apr.	33,102	24,233	21,274	43,784	46,404
May	31,827	24,165	24,807	45,020	45,183
June	33,796	23,136	28,397	41,207	43,721
July	28,486	19,509	27,051	42,958	46,852
Aug.	11,464	22,256	32,540	40,576	39,808
Sept.	30,746	26,146	30,218	39,092	46,885
Oct.	27,797	24,719	34,957	44,787	52,664
Nov.	27,168	23,379	42,491	43,756	45,944
Dec.	22,451	24,812	37,001	43,554	.....
Year	335,561	282,916	343,252	511,605	......

9 Million Hydro h.p. To be Ready by '43

From Our Own Correspondent

MONTREAL. — Installed hydro-electric power in Canada at the beginning of 1942 totalled 8,846,813 h.p., as a result of the addition of 263,375 h.p. of new installations during 1941.

At present work is under way on the installation of over 800,000 h.p. of generating equipment. Not all of this will be installed in 1942, as the major development, the Shipshaw generating station on the Saguenay River, will not be complete until 1943. However, work planned for completion this year will bring total installation of Canada's hydro-electric stations to 9,073,513 h.p.

The hydro-electric installation picture in Canada, as indicated by the year-end survey, shapes up as follows:

HYDRO ELECTRIC PROGRESS IN CANADA—
(In Horsepower)

	1941 Installations	Installed Jan. 1/42	Underway	To be Installed Dec. 31/42
P. E. I.	......	2,617	......	2,617
N. S.	8,375	146,592	4,700	151,292
N. B.	......	133,347	10,000	143,347
Que.	236,000	4,556,943	630,000	4,686,943
Ont.	19,000	2,616,595	131,000	2,672,595
Man.	......	420,925	......	420,925
Sask.	......	90,835	......	90,835
Alta.	......	71,997	23,000	94,997
B.C. & Yukon	......	806,962	3,000	809,962
Total	263,375	8,846,813	801,700	9,073,513

GOLDEN JUBILEE

C. S. V. Branch, 2nd vice-president of the Sun Life of Canada, has just completed 50 years in the service of the company. Mr. Branch, as an authority on reassurance, has travelled widely and is receiving congratulations from all parts of Canada and the United States.

BIG THINGS
ARE HAPPENING
WITH TUBING

Welded steel tubing has been in use for many years, but there have been so many improvements in its manufacture that the average person does not appreciate its present possibilities.

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For its weight, welded steel tubing is the strongest section that can be produced. Its strength will not diminish. Constant moving around, hard knocks and bumps, cold and heat, all deadly enemies of wooden equipment, have no effect on these steel products.

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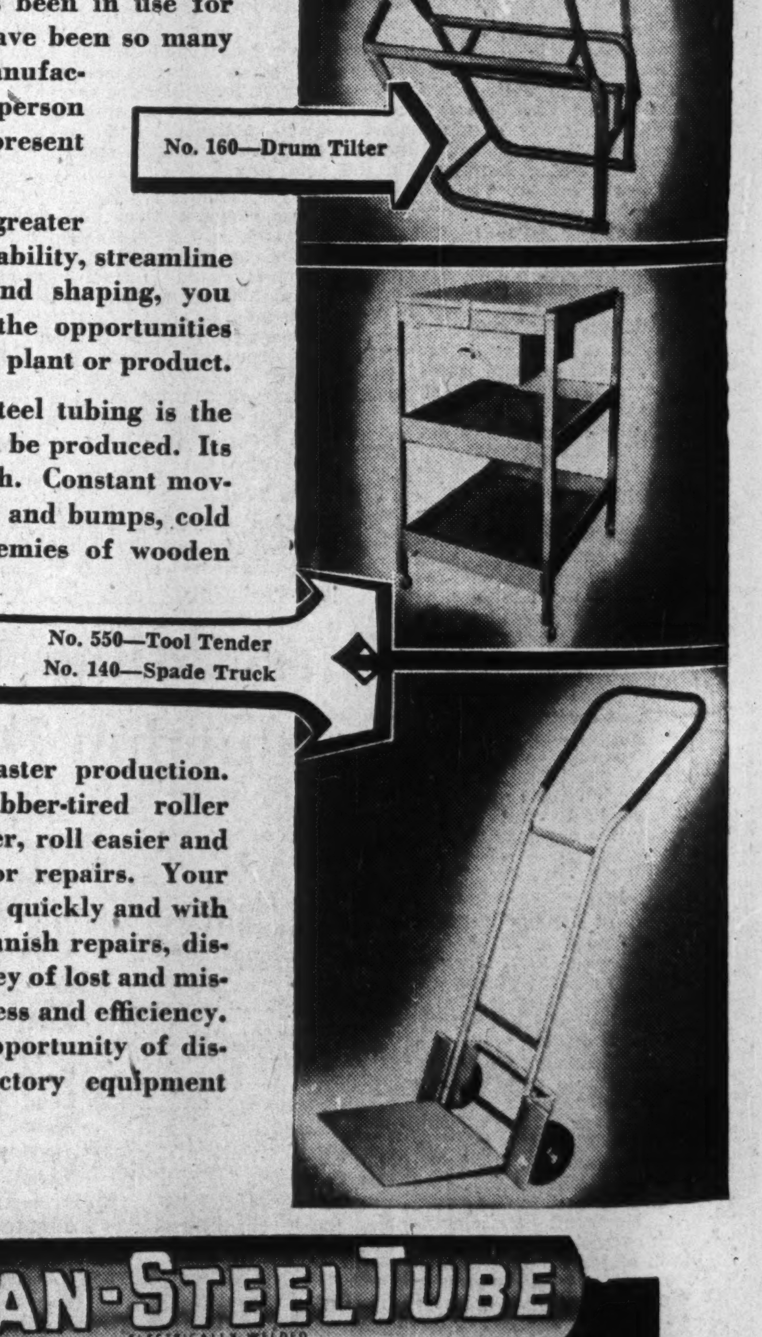

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